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Daimler's Tough Standard

New Chief Shows He Means Business

By Nathaniel C. Nash
New York Times Service

STUTTGART — On a warm evening last July, the chairman of Daimler-Benz AG and two of his subordinates, "in an exuberant mood" and carrying a bottle of red wine, were stopped by the Italian police near the Spanish Steps in Rome.

What ensued is not totally clear. But the Roman police said that a young woman in the group used "unfortunate language" with Italian officers and that another group member grabbed an officer's wrist, causing a minor injury. The three were taken to the local precinct, where they presented their passports and were eventually let go.

At the time, Jürgen Schrempp had been Daimler's chairman for just two months, and the German press had a field day wondering if in this land of "serious people," the head of Germany's largest industrial concern was serious enough.

Six months after that evening, no one is wondering anymore. In a chilling move that marked the advent of a new way of doing business in Europe, Mr. Schrempp earlier this week cut off all financial help to Fokker NV, the money-losing Dutch manufacturer of commuter planes in which Daimler owned a majority share, sending it to the courts for protection from creditors.

Mr. Schrempp, 51, Daimler's youngest chairman ever, also announced that the company would book a $4 billion loss for 1995, in effect writing off all of its investment in Fokker and other money-losing operations.

The Dutch government agrees to provide $220 million in aid to Fokker. Page 9.

Mr. Schrempp acknowledges that refusing to prop up a weak business may be standard practice among chief executives in the United States. But it is unusual in Europe, where workers and middle

See DAIMLER, Page 4

Can Bonn Pass EMU Test?

2 Reports Raise New Doubts That It Will

By John Schmid
International Herald Tribune

FRANKFURT — Europe's hopes of meeting its 1999 deadline for a single currency received a double dose of cold water Friday as Germany disclosed that, for the second consecutive year, it would fail to meet the most important condition for monetary union — the budget-deficit limit.

Separately, a report from the Bundesbank was taken by economists as a sign that interest-rate relief would not be coming as soon as they had previously hoped. The German central bank said its main measure for prospective inflation — the M3 money supply — grew strongly in December, making quick reductions in benchmark interest rates a dimmer prospect.

Other European central banks have shadowed the Bundesbank's two-year policy of rate cuts, hoping to propel their economies out of their slumps.

Amid calls for easier criteria for monetary union, or a delay, President Jacques Chirac of France on Friday came to the defense of a single currency. Asked whether it would be necessary to renegotiate the criteria or the timetable for a single European currency, Mr. Chirac said: "That is not a subject on the agenda, and France has no interest in that."

His comments came as the French parliamentary speaker, Philippe Séguin, called for a new debate on the future of Europe and that delaying monetary union would not be a disaster. "Is it not time to put everything back on the table?" Mr. Séguin asked at a French-German conference in Aachen, Germany.

The pressure is on to ease Maastricht treaty criteria on currency union. Page 9.

An advance copy of the German government's

See GERMANY, Page 4

Yeltsin's Tilt Endangers IMF Loan To Russia

U.S. Supports Action To Pressure Him On Market Reform

By Michael Dobbs
Washington Post Service

WASHINGTON — Taken aback by President Boris N. Yeltsin's decision to part company with leading reformers, Western financiers are threatening to withhold a $9 billion international loan to Russia unless the country reaffirms its commitment to painful economic reform.

The tough line taken by the International Monetary Fund in negotiations with the Russian government has the support of the United States, according to U.S. officials and international monetary sources. The sources said it now seemed "unlikely" that the loan would be approved in time for an IMF board meeting in mid-February, as was expected just a few weeks ago.

[A top adviser to the Russian Finance Ministry, dismissing reports that the IMF had threatened to withhold the loan, said Friday that top government officials had joined the talks, Reuters reported from Moscow.

["The talks are very advanced, not just at the technical level, and the government is involved at the highest level. That means the prime minister," said Jochen Wermuth, head of the ministry's economic expert group. "Things are going well."]

The Western stand presents Mr. Yeltsin with a difficult choice. If he sticks to a tight-money policy, he risks a popular backlash that could jeopardize his chances of re-election in presidential elections next summer. If he abandons the austerity program, in response to electoral pressures, he will forfeit billions of dollars of Western investment.

President Yeltsin says his government reshuffle is over. Page 2.

On the other hand, Western officials also acknowledge that they themselves face a tricky dilemma in deciding how much pressure to put on Mr. Yeltsin. If he loses the election, his most likely replacement is the Communist Party leader, Gennadi Zyuganov. Mr. Yeltsin is still generally viewed as a preferable alternative to the Communists.

Western concern over the direction in which Russia is headed has been mounting ever since Mr. Yeltsin effectively sacked Deputy Prime Minister Anatoli B. Chubais, who led the Russian team in negotiations with the IMF and supervised a vast privatization program. Thursday's announcement from Moscow that Mr. Chubais will be replaced by an old-style Soviet industrialist, Vladimir Kadannikov, has fueled Western suspicions that the Yeltsin government may be on the point of jettisoning its tight monetary policies.

The inclination of Western governments to stick with Mr. Yeltsin has been criticized as myopic by independent economists close to the Russian reformers who are now being forced out of the government. Jeffrey Sachs, a professor at Harvard who served as an adviser to the Russian government in 1992 and 1993, said he felt that it would be a "big mistake" to conclude any kind of loan agreement with the Russians before the elections.

"It is very unclear what Russia's economic policy is right now," said Mr. Sachs.

"It is difficult to imagine that this loan will give us any real leverage over a gravely weakened administration that has already turned toward a hard line six months before an election."

U.S. Carrier Sends China Quiet Signal Over Taiwan

By Steven Mufson
Washington Post Service

BEIJING — For the first time in 17 years, a U.S. aircraft carrier has passed through the Taiwan strait near the coast of China. Though American officials blamed bad weather for the unusual route, many analysts saw it as a sign of rising temperatures between the United States and China over Taiwan's impending elections.

The Dec. 19 voyage of the 72,000-ton, nuclear-powered Nimitz and four Navy escort vessels was revealed Friday by Taiwanese newspapers and confirmed by U.S. officials. The passage through the strait, 160 kilometers wide at its narrowest, was widely interpreted as a quiet message from Washington to Beijing to refrain from any military action against Taiwan, a self-governing island that China regards as a renegade province. Aircraft carriers in the region usually pass to the east of Taiwan, on the Pacific Ocean side away from China.

For months, China has been threatening to take military action against Taiwan if the island formally declares itself independent or if it continues to campaign for greater status in the international arena.

With Taiwan set to hold its first democratic presidential election on March 23, anxiety has intensified somewhat that China might want to sway voters and President Lee Teng-hui of Taiwan before the ballot, or later try to frighten other countries away from rewarding Taiwan's newly elected president with greater recognition. The desire to calm that anxiety might explain the disclosure about the Nimitz's passage.

Most analysts have regarded the threats as diplomatic posturing by a Chinese government frustrated by its inability to stymie Taiwan's own diplomatic offensive.

"I think what's going on is classic coercive diplomacy," said Kenneth Lieberthal, a University of Michigan professor of Chinese politics who has advised the Clinton administration on China policy. "China has put military assets in place in a fashion that lets others know what they're doing so as to gain greater credibility for their diplomacy," Mr. Lieberthal said.

Any Chinese military action — whether it be blockade, long-distance shelling or amphibious assault — would probably fail both militarily and politically. It would be unlikely to reunify Taiwan with the mainland and would

See TAIWAN, Page 4

Will Burgess/Reuters

ROAD TO HONG KONG — President Jiang Zemin leading Politburo members to a Beijing ceremony Friday hailing a new transition panel. Page 5.

Bosnia's Devastation Defies the Economics of Peace

By Raymond Bonner
New York Times Service

ULICE, Bosnia-Herzegovina — "Desolation Boulevard." That's what U.S. soldiers have named the dirt road that runs through the shelled-out village where they have parked their camouflage fighting vehicles, pitched their tents and set up a base.

"Because that's exactly what it looks like," said Sergeant Gilbert Shatto. "We rolled in here about 11 at night and saw nothing but destruction."

Every house bears the mutilations of war. There are gaping holes in tile roofs from artillery rounds, holes in the thick walls from tank rounds, houses charred by fire and stripped by looters. All that is left of what soldiers have dubbed "the club" is a piece of wall bearing the words "billijar" and "poker."

U.S. soldiers say they have been surprised by many things, including the lack of hostility, especially from the Serbs. But above all, they have been shocked by the devastation.

"I have never seen this much destruction," Sergeant Shatto said. That is from a soldier of 20 years, who has been on missions in Iraqi Kurdistan, where Saddam Hussein's artillery and bulldozers reduced villages to rubble, and in Rwanda, where rival ethnic groups scorched the earth.

The World Bank has estimated that it will require at least $5 billion over the next three years to put Bosnia back together again. "I don't think there has been anything quite like this since the reconstruction of Germany after the Second World War," said Kevin Mannion, a senior official with the International Management Group, a nonprofit organization financed by the European Union that is a consultant to the World Bank for the reconstruction of Bosnia.

The mission is a daunting one.

"The country was 20 years behind Western Europe before the war and has slipped another 10, maybe 20, years," Mr. Mannion said.

As just one example, a farmer in a horse-drawn wooden cart — not an unusual sight in this country — brings fresh bread to the U.S. soldiers here.

Bosnia's power plants are distributing about 40 percent of the electricity they were producing before the war. Sewage and water systems are in disrepair.

Water usage in Tuzla, for instance, has declined from 170 quarts a day a person to 32, Mr. Mannion said, because of the deterioration.

About 6,400 kilometers (4,000 miles) of roads in Bosnia need major repair, according to the World Bank's preliminary assessment. It is not just a matter of mortar holes being patched, but of filling deep trenches cut by the armies, then resurfacing the roads. But before that can begin, quarries and cement

See BOSNIA, Page 4

Last Laughs: A British 'Image' Fades

By John Darnton
New York Times Service

LONDON — It's 10 o'clock Saturday morning and already a nice rhythm has descended on the subversion and anarchy being churned out in the cavernous studio in west London. The cameras are humming along.

On one set, workers are pasting fake £20 notes into a handbag for a skit in which the Duchess of York, who had just been in the news for spendthrift ways that overran her bank balance, hits up the queen for a hefty sum by threatening to renew a relationship with a toe-sucking financial adviser.

On another, Prime Minister John Major, cast all in gray from hair to fingertips, is about to have dinner with his cat, Humphrey, before smashing him in the face with a frying pan.

All in a day's play for "Spitting Image," the notorious British television program that struck a rich satirical vein beginning in the mid-1980s by using latex puppets to lampoon politicians, sports figures and movie stars.

Now, after 12 years, the program is going off the air. The six episodes in the final series are to end Feb. 18. Independent Television, the commercial network that puts the show on, says it decided to close it down because of declining popularity.

Depending on whom you talk to, the demise of the program is the end of life as we know it, proof that the British genius for the Swiftian bite has lost its teeth, or just one more bit of evidence that all good things eventually burn out.

"We've had a good run," said Roger Law, the co-creator and proprietor of "Spit," as he calls it. "I think we've had enough. I had had enough after five years. It's 80 hours a week, so it's a pig of a show to put on."

Still, even the easygoing, icon-smashing Mr. Law, now 54 and with an expansive middle that fills out a blue cardigan sweater under a salt-and-pepper beard, permits himself a moment of philosophical flight. The show is losing its core support of young people, he believes.

"My generation thought for some stupid reason they could possibly change something," he said. "Certainly that was the feeling back in the '60s."

"But this lot is so cynical that the kind of in-your-face satire 'Spitting Image' specializes in doesn't appeal to them."

The audience for "Spitting Image" has dropped from a peak of 15 million to

See IMAGE, Page 4

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Greg Wood/Agence France-Presse

FALLING OUT — Andre Agassi mourning his loss to Michael Chang in Melbourne. Page 18.

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AGENDA

Hillary Clinton Faces Grand Jury

WASHINGTON (AP) — Declaring she was "looking forward to telling them everything I know," Hillary Rodham Clinton went Friday to the federal courthouse to offer her explanation why her law firm billing records turned up inside the White House living quarters two years after investigators had subpoenaed them.

Smiling and waving, she entered the same courthouse where grand juries have investigated the Watergate and Iran-contra scandals. It is the first time that a first lady has been compelled to testify before a grand jury.

"I am happy to answer the grand jury's questions and look forward to telling them everything I know with the hope that it will help them in their investigation," she said, as she paused to speak into a bank of microphones.

Across the street, a throng of observers gathered. One supporter's sign declared: "We're with you, Hillary." Another read: "Shred no more."

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The Dollar

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FF	5.1345	5.1075

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Pledging Social Aid, Yeltsin Ends Shuffle

Compiled by Our Staff From Dispatches

MOSCOW — President Boris N. Yeltsin, announcing an end to a major government reshuffle, committed himself on Friday to protecting the needy but vowed to stick to the general path of reforms.

Mr. Yeltsin was also quoted by Russian television as saying that he had fully recovered from heart problems suffered last year.

His remarks at a meeting with regional leaders suggested he may have completed his maneuvering following a Communist election victory and is now in a position to declare whether he will run in a presidential election in June.

Asked if there would be any more government changes following a reshuffle over recent weeks, Mr. Yeltsin replied: "The major ones are over."

A television commentator said: "It seems President Boris Yeltsin has made a final decision to run for the presidency and started his election campaign."

Communists and extreme nationalists, exploiting disenchantment with economic hardships, emerged as the big winners in last month's election to the State Duma, or lower house of Parliament.

The vote posed a huge problem for Mr. Yeltsin, 64, who has responded by purging several top reformers and liberals from the government following his return to work last month after a second mild heart attack.

The president also removed some of his representatives in the regions, dismissed some governors and authorized a military assault against Chechen rebels who had seized hostages in southern Russia.

On the economic front, he has shifted the emphasis away from a policy of curbing inflation and tight monetary policy, personified by First Deputy Prime Minister Anatoli B. Chubais, who resigned under pressure last week.

On Friday, Mr. Yeltsin gave more evidence of a drift to more social protection for the poor and support for domestic firms.

"The most important task for Russia and its regions is fully fledged protection of the social and economic rights of the people," he said.

"Material conditions will improve this year. In past years we could not devote much attention to the social sphere but that is possible this year. We will do all we can for better social conditions."

Talking about a decision on Thursday to raise pensions for the elderly, who had mostly backed the Communists in the December poll, Mr. Yeltsin made it clear that he wanted their votes, although he has not said yet if he will seek re-election.

"I think they are potential voters — 38 million people," he said.

He also promised Friday to create a special presidential fund with enough money to pay "a month's wages for everyone in Russia."

He did not say, however, where the money would come from.

Mr. Yeltsin, however, also reiterated his commitment to reforms, clearly trying to quell alarm at home and abroad over moves that have been seen as concessions to his foes.

"We will not allow anyone to turn back reforms or interrupt them. Reforms will be carried on until they are completed," he said.

(Reuters, AP, AFP)

Misha Japaridze/The Associated Press

STOKING PROTEST OVER PAY — Coal miners burning posters Friday in Moscow. They threatened a nationwide strike over back pay.

Fight for the Center

Spain's Right Tries a New Look

By Marlise Simons
New York Times Service

MADRID — If Francisco Franco had come back from the dead and visited Madrid last weekend, the old dictator would have had trouble telling right from left and friend from foe.

The people who he thought would carry on his rightist ideas were gathered at a party convention, singing and applauding. But there were no veterans in uniform or stiff-arm salutes in sight. Instead, the Popular Party had outfitted itself with cobalt blue banners and large video screens.

Stranger still was the slogan. Proclaiming "The Center Is Winning," the party asserted that it now stood at the political center of Spain.

Recasting the conservative opposition party as centrist and moderate is a key step in the election strategy of José María Aznar, 42, the man who is well placed to become Spain's next prime minister.

As he prepares to run in the general election on March 3, Mr. Aznar is taking no risks. The Socialists, who have governed Spain for the last 13 years, have long held that they occupied the center. The conservatives know that this is the ground they must now conquer.

Mr. Aznar has been anxious to erase his party's long-standing association with the right and with the 36-year dictatorship that ended with Franco's death in 1975.

"Do you want the fascists in power again?" is a phrase that makes many Spaniards uncomfortable, and it has been used effectively against Mr. Aznar and his followers.

But it may not work this time. The Socialists are increasingly cornered by corruption and political scandals. Spaniards who normally thrive on political gossip and conspiracy theories say they are tired of Socialist infighting and of officials charged with embezzlement and theft.

"We just want change, even boring change will be better," said Angel Asturias, a teacher taking his class to the Prado Museum. He said he would vote reluctantly for Mr. Aznar.

Polls give Mr. Aznar a lead of up to 10 points over his opponent, Prime Minister Felipe González.

The two men could not be more different. Mr. González, a seductive politician and fiery speaker, spent much of his youth dodging Franco's political police. Mr. Aznar worked as a tax collector. His manners are stiff and his speeches, despite coaching, remain stern and droning.

Although the campaign does not formally begin until February, the two camps have already spent so much time slinging abuse at each other that insiders say it has interfered with government business.

Adolfo Suárez, a former prime minister, believes that the sour mood of the capital is due in part to the tensions between the candidates. He has quietly mediated and tried to get them to communicate.

Recasting his party as moderate is the key to Aznar's strategy.

"I know and I like them both," he said in an interview last November. "But they don't trust each other. The problem is almost physical. They can't stand each other's company."

Jesús Ceberio, the editor of El País, a leading newspaper that was once a strong supporter of Mr. González, said Spain urgently needed change because of the erosion of political life. He said the vitriolic mood had permeated journalism and led to wild and often unsubstantiated accusations against politicians and officials in the press.

Last weekend, the mood in the ranks of the Popular Party was more than buoyant. Its three-day convention in a brightly lighted hall with banners and throbbing with snappy songs, seemed to have taken more from American political conventions than from traditional Spanish style.

But three days of pomp and endorsement of Mr. Aznar's leadership did not produce a concrete program for the party. Mr. Aznar promised to bring decency back into public life, cut the income tax, trim the public sector and negotiate with Spain's influential labor unions.

Across town, labor leaders holding their own convention wanted to know more about Mr. Aznar's private promises to businessmen, which included cutting social spending and changing labor laws to make it easier to fire workers.

"Remember the French," said one leader, referring to the strikes that paralyzed much of France in December after the government announced plans to dismantle parts of the welfare state.

Clinton Talks With Yeltsin

Compiled by Our Staff From Dispatches

WASHINGTON — President Bill Clinton and President Boris N. Yeltsin of Russia talked by telephone about Bosnia, Chechnya and other topics on Friday and agreed to stay in touch by phone more often, the White House said.

The White house spokesman, Michael McCurry, described the 40-minute conversation as "very cordial" and said it was clear that Mr. Yeltsin was "fully back at work, in charge, and, as he told President Clinton, 'in good shape.'"

Earlier, it was announced that Secretary of State Warren M. Christopher had scheduled a meeting with Yevgeni M. Primakov, the new Russian foreign minister, in Helsinki on Feb. 10-11 and another set of talks with Mr. Primakov, Mr. Yeltsin and several other Russian leaders in Moscow sometime in March. *(Reuters, AP)*

Europe Lists Moscow's Obligations

Compiled by Our Staff From Dispatches

STRASBOURG — Council of Europe deputies spelled out conditions Friday for accepting Russia as a member after they voted late Thursday to admit Moscow to the pan-European body.

The conditions, including pledges to ban torture and to ratify conventions protecting minority groups, referred notably to Russia's human rights record, particularly in Chechnya.

In a statement, the deputies noted that Moscow had pledged to bring to justice those suspected of human rights violations, "notably in relation to events in Chechnya."

The vote in the parliamentary assembly of the Council, which promotes democracy and human rights across the Continent, was 164 to 35, with 15 abstentions.

President Boris N. Yeltsin of Russia hailed the decision as a "great event," which the Kremlin saw as a sign of European confidence in the government's democratic reforms. He exultantly told reporters in Moscow that the vote had rewarded a major diplomatic effort to persuade European leaders to soften their stance toward Russia.

"I myself personally spoke to them, persuading them that this was necessary because Russia is also in Europe," Mr. Yeltsin said. "It is like a bridge from Europe to Asia."

The assembly's statement noted that deputies had strongly condemned recent events in Chechnya.

Referring to the hostage crisis in the village of Pervomayskoye, just over the border in neighboring Dagestan, it said: "The apparent indiscriminate use of force cost the lives of many innocent people and violated international humanitarian law."

But the statement expressed the assembly's belief that Russia "is clearly willing and will be able in the near future to fulfill the provisions for membership of the Council of Europe."

It also spelled out 25 conditions agreed to by Russia in its application to join the Council. Among these were:

- To sign the European Convention on Human Rights when it joins, to ratify it within a year after that, and to recognize the authority of the European Court.
- To sign within one year of joining a European convention banning the death penalty in peacetime and to suspend executions from the day it joins the council and within the same time limit.
- To sign a European convention banning torture and "inhuman and degrading treatment or punishment."
- To sign a European convention protecting minority groups.
- To sign a European charter on local self-government and regional and minority languages.
- To "settle international as well as internal disputes by peaceful means."

(AFP, Reuters)

Henry Villard, 95, Writer-Envoy, Dies

Los Angeles Times Service

LOS ANGELES — Henry Villard, 95, a veteran diplomat and former ambassador who retired to write books, including an account of his adventures with Ernest Hemingway driving ambulances in Italy during World War I, died of pneumonia here Sunday.

His last book, written with James Nagel in 1989, was "Hemingway in Love and War: The Lost Diary of Agnes von Kurowsky" about Mr. Hemingway's romance with his nurse in Italy when Mr. Villard and he, both wounded, shared a hospital room. The nurse later became a model for a character in Mr. Hemingway's classic "A Farewell to Arms."

That book is the basis for a soon-to-be-released film, "In Love and War" starring Sandra Bullock and Chris O'Donnell and directed by Richard Attenborough.

With the State Department from 1928 to 1961, Mr. Villard served in Washington, Tehran, Rio de Janeiro, Caracas, Geneva and Oslo and was ambassador to Libya, Senegal and Mauritania. He wrote a book on Libya in 1956.

His first major book was "Affairs at State: A Career Diplomat's Candid Appraisal of the U.S. Foreign Service" published in 1965. He next wrote "Contact: The Story of the Early Birds" in 1968 about pre-World War I aviation; "The Great Road Races 1894-1914" in 1972 and "Ribbon of the Air — The Gordon Bennett Races" in 1987.

The grandson of the New York Post publisher Henry Villard, he worked as a reporter for Hearst newspapers before joining the State Department.

Noel Johnson, 95, Marathoner Who Defied Doctors and Won

SAN DIEGO (NYT) — Noel Johnson, who took up running in defiance of medical warnings while in his 60s after being given no more than six months to live because of a heart condition, died here at the age of 95.

He had spent the last quarter of a century setting age records in everything from the half-mile to the marathon. Regularly the oldest man to complete in the New York City Marathon in the 1980s, he became a prize specimen in a medical study that established that runners tend to live longer than nonrunners, and that the more they run the longer they live. Doctors generally reported that he had the respiratory system of men half his age.

Yemenis Kidnap French Tourists

Compiled by Our Staff From Dispatches

SAN'A, Yemen — Tribesmen have kidnapped 18 French tourists in northeast Yemen in an attempt to win the release of a jailed member of their tribe, a Yemeni official said Friday.

Abdel Wali Shamiri, governor of the Maarib Province, said all 18, seized Thursday, were in good health and talks were going on to win their release. He said the tribesmen were members of the Al Aslam tribe and had taken the tourists to Ain about 300 kilometers (180 miles) southeast of San'a.

In Paris, the Foreign Ministry expressed hope that they soon would be freed. One source said the tribe was demanding the release of a member named Zubeir Doman. *(AFP, Reuters)*

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BUCHAREST

I.B.C., Strada Popa Rusu 22. 3:00 p.m. Contact Pastor Mike Kemper, Tel. 312 3980.

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I.B.C., meets in Moricz Zsigmond Gimnazium, Torokvesz ut 48-54, Sundays, 10:00 Coffee Fellowship, 10:30 Worship. Take Bus 11 from Batthyany ter. Other meetings, call Pastor Bob Zbinden, Tel. 250-9302.

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I.B.C., World Trade Center, 36, Drahan Tzankov Blvd. Worship 11:00, James Duke, Pastor. Tel.: 659 666.

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I.B.C. Second Floor of Third Baptist Church, Rua Filipe Folque 36, 19:30 hours, Pastor Steve Ford, Tel.: 418-5138.

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I.B.C. Meeting 1100; Kino Center Building 15 DruzhinnikovskayaUL. 5th Floor. Hall 6, Metro Station Barrikadnaya Pastor Don Deel, Tel.: (095) 971 3558.

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I.B.C. Holzstr. 9 English Language Services. Bible study 15:45. Worship Service 17:00. Pastor's phone: (089) 680 8534.

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I.B.C. 13 rue Vernier, English service, Sunday evening 1800, pastor Ray Miller - Tel.: (059) 320 596.

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TRAVEL UPDATE

Snowstorm Disrupts Paris Flights

PARIS (AP) — Snow-slicked runways forced Air France to cancel 50 flights Friday from Charles de Gaulle Airport, and the carrier said that Saturday flights might also be affected.

About 5 centimeters (2 inches) of snow fell on the Paris region Friday, mingling with ice in some areas. The police reported numerous automobile accidents.

Air France canceled the flights as a precaution after the wintry weather iced up aircraft and runways, France Info radio said.

The state-run airline gave a number to call for flight information: 33-1-4408-2424.

Spain Outstrips U.S. as Tourist Site

MADRID (AP) — Spain has nudged out the United States as the world's second most popular tourist destination after France, the World Tourism Organization reported Friday.

The United States remained the top tourism earner, with $27 billion last year, followed by France, Italy and Spain.

France kept its leading position with 60.5 million international visitors last year, despite a drop of 1.19 percent from 1994, according to the Madrid-based organization.

Spain had 45.125 million foreign visits, an increase of 4.38 percent, compared with 44.730 million for the United States, a decline of 1.7 percent.

Italy ranked third with 29.184 million visitors, followed by China, which made it into the top 10 for the first time with a 10.9 percent increase, or 23.368 million visitors.

Athens Heads Air Pollution List

ATHENS (AP) — A study of 15 European cities found that Athens had the worst air pollution, the daily newspaper Ta Nea reported Friday.

The study by Atmospheric Pollution and Health/European Approach blamed weather conditions and an increase in the number of vehicles using diesel fuel for the problem in the Greek capital. Barcelona was listed as the second-most polluted city among those studied. The report did not propose solutions, but the Greek government has restricted the number of private vehicles entering Athens on weekdays.

Correction

An article Friday in the Business/Finance section about Japanese manufacturers profiting from a weakening yen incorrectly attributed a comment. It was David Pike, a strategist at BZW Securities in Tokyo, who said: "There's no doubt that at 80 yen to the dollar most companies were in deep trouble. It's like a death sentence being commuted to life."

BRIEFLY EUROPE

Berlusconi Bloc in Agreement

ROME — Parties in the center-right Freedom Alliance of a former prime minister, Silvio Berlusconi, agreed Friday to draw up a common proposal to reform Italy's system of government and put it to their center-left rivals for negotiation.

The decision was announced by Renato Ellero, the head of a small federalist party in the coalition. Its leaders met to thrash out internal differences on reform that have blocked a solution to Italy's political crisis.

Mr. Ellero said that the proposal would build on an existing initiative worked out by constitutional experts from the two rival coalitions that ran into fierce resistance from a rightist leader, Gianfranco Fini. *(Reuters)*

Polish Resignation Accepted

WARSAW — President Alexander Kwasniewski of Poland accepted Friday the resignation of Prime Minister Jozef Oleksy, who faces allegations that he spied for Moscow, and his cabinet.

The president has 14 days to appoint a successor. His office said he had asked Mr. Oleksy to stay on as caretaker. *(Reuters)*

Spain Protects Archbishop

MADRID — The Spanish authorities have turned down a request from an Italian prosecutor to question the archbishop of Barcelona about his alleged involvement in a money-laundering ring.

Alfredo Ormanni, prosecutor of the town of Torre Annunziata, near Naples, said in October that he suspected Cardinal Ricardo María Carles of overseeing the laundering, worth around 8 billion pesetas ($65 million), of lire into dollars through the Catholic Church bank, the Institute of Religious Works. *(Reuters)*

Greece Pursues War Debt

ATHENS — Greece said Friday that it was still seeking war reparations from Germany, including repayment of a loan that Greece was forced to give the occupying Germans during World War II.

"We will express our views and see what the German answer will be," Foreign Minister Theodoros Pangalos said. Germany rebuffed a formal request in November for reparations, calling the claim 50 years after the war unprecedented and exceptional. *(Reuters)*

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Budget Rivals to Give Government a 7-Week Lease

The Associated Press

WASHINGTON — A White House spokesman said Friday that President Bill Clinton was willing to sign a bill approved by the Republican-led House that would keep the government operating through March 15.

The Senate was debating the measure, which would extend federal spending authority beyond midnight Friday for seven more weeks while cutting back funds for dozens of federal agencies.

The Senate majority leader, Bob Dole of Kansas, said the Senate would pass the measure and send it immediately to the president.

"He'll sign it tonight, and the government will stay open until March 15," Mr. Dole said.

Without the bill, thousands of federal civil servants face a third partial government shutdown beginning Saturday.

"We're satisfied that a lot of give-and-take has produced an agreement the president can live with," said the White House press secretary, Michael McCurry.

The House passed the temporary spending measure, 371 to 42, on Thursday, inaugurating the new mood of détente between Congress and the White House.

Having abandoned any hope of reaching a balanced budget agreement soon, Republicans and the administration have agreed to seek more modest goals, such as lower spending and more tax cuts, while keeping the government open and raising the federal debt ceiling.

Stung by public criticism of the budget impasse that led to two shutdowns keeping federal workers home for nearly a month, House Republicans agreed that another shutdown was not politically feasible.

"We've got to be patient; you don't always get what you want," said Representative Mark Foley, Republican of Florida, whose freshman class has been among the most outspoken hard-liners on a budget deal.

But they also exacted a price for keeping the government running. Ten small programs were terminated and several programs disliked by Republicans but favored by the administration — such as the AmeriCorps national service program, the Ounce of Prevention Council and Cops on the Beat — are to be funded at 75 percent of 1995 levels.

The bill applies to those programs that have no 1996 budget, either because Mr. Clinton vetoed their spending bills or Congress has yet to finish work on them. They include education, crime, labor, health and housing programs. It also freezes new grant activities at a level not to exceed 75 percent of the prior monthly rate for several dozen programs and allows some agencies that face lower spending levels to furlough or dismiss employees.

Anti-abortion lawmakers insisted on seeing some of their agenda in the bill, creating a situated that nearly disrupted the negotiations. In the end they agreed that funding for international population planning activities would be stopped until July 1, and that any authorization after that be at no more than 65 percent of the current rate. The program is supposed to spend $356 million over the next year and a half.

POLITICAL NOTES

Gramm Zeroes In on Economy

IOWA CITY, Iowa — To appreciate how strongly Senator Phil Gramm opposes abortion, Iowans these days have to read his mail.

In 23 public appearances in Iowa in recent weeks, Mr. Gramm brought up his opposition to abortion only once, instead dwelling on balancing the budget and expanding the economy. But to attract Iowa's many social conservatives, his strategists are relying on a carefully targeted direct-mail campaign and a cadre of state activists.

Mr. Gramm's focus on economics, evident on a three-day swing through the state this week, not only testifies to his own zest for the subject. It also reflects how economic issues have come to overwhelm social ones in the Republican race since Steve Forbes, the multimillionaire publisher, made the flat tax a central campaign theme.

"May I borrow your baby?" Mr. Gramm asked a listener during a speech in Grundy, Iowa. Lifting Gabrielle Hamon, age four months, he outlined family values, Phil Gramm style: "If we don't start balancing the federal budget and if we don't start doing it now, in Gabrielle's working life she will pay $187,000 in taxes just to pay interest on the national debt."

Mr. Gramm was asked about the abortion issue several times, and some voters sounded unsure of his views. At a breakfast of likely caucus goers in Iowa City, one voter asked if Mr. Gramm had flip-flopped.

"I have a totally perfect, consistent record on that issue," he replied. Evidently still confused, a voter asked what that record was. "I'm pro-life," Mr. Gramm said, sounding surprised at the question.

So far, his economic conservatism has not been enough to lift Mr. Gramm, of Texas, out of single digits in the polls. *(NYT)*

Bushes Pitch for Houston Team

NEW YORK — Former President George Bush and his wife, Barbara, are appearing in a television advertisement for the Houston Astros.

In a campaign that will go on the air Monday, the former first couple recall Mr. Bush's days as a first baseman at Yale. Mrs. Bush reminisces about being a scorekeeper for the team.

"I still can't believe you gave me an error in the Cornell game," Mr. Bush says to his wife in the television spot.

"That was a playable ball, George," she replies.

"Was not. Was not," he says.

"Jeff Bagwell would have had it," Mrs. Bush says, referring to an Astros infielder. *(NYT)*

Michigan Backs Tax-Free Zones

DETROIT — Taking one of the most aggressive steps yet by states to use tax rather than spending policies to revitalize impoverished areas, the Michigan Senate has approved a bill that would abolish all state and local income and property taxes in eight areas singled out for economic development.

The bill, expected to be approved by the state House of Representatives next month and already championed by the governor, would create tax havens in eight impoverished areas across the state to be selected later this year. Residents and businesses in the eight zones would, for up to 15 years, pay only federal taxes, local sales taxes and taxes linked to bonds already issued. *(NYT)*

Quote/Unquote

Hillary Rodham Clinton on her husband's driving skills: "One of the reasons to keep re-electing Bill Clinton to public office, to have other people drive, is to keep the roads safer." *(Reuters)*

Castle Grande Plot: What Was Mrs. Clinton's Role?

John Mottern/Agence France-Presse

Hillary Clinton reciting the Girl Scout oath for admirers in New Hampshire.

By Susan Schmidt
Washington Post Service

WASHINGTON — As Hillary Rodham Clinton testified Friday before a federal grand jury investigating Whitewater, she was certain to face questions about a scrubby, low-lying tract of land south of Little Rock known improbably as Castle Grande.

On that remote plot, which was to be a real estate development, the paths of all the major Arkansas figures in the probe intersect.

The development flopped, but officers and directors of Madison Guaranty, the failed Arkansas savings and loan firm at the center of the Whitewater investigation, carved up nearly $2 million in profits and commissions buying and selling the land. Taxpayers ended up losing nearly twice that on Castle Grande when Madison folded.

The Castle Grande project was typical of the fast-and-loose real estate ventures financed by Madison under its flamboyant owner, James B. McDougal, who used millions from the savings and loan company to back shaky land ventures from Arkansas to Maine. But Castle Grande brought the most criticism.

Federal regulators have called it a series of "sham" transactions that drained the Madison firm.

It was not generally known that Hillary Clinton did legal work related to Castle Grande until three weeks ago when billing records from the Rose Law Firm, for which Mrs. Clinton worked as a partner, were discovered inside the White House, two years after they were first subpoenaed. The records detailed her billings to Madison for 17 meetings and telephone calls with some of the principals in the Castle Grande project during late 1985 and the first half of 1986, when most of the Castle Grande transactions were underway.

Mrs. Clinton has said she recalls very little about Castle Grande. But the project is now at the heart of the criminal investigation in Arkansas by the independent counsel Kenneth W. Starr and the current indictments against Governor Jim Guy Tucker of Arkansas and Madison's former operators, Mr. McDougal and his ex-wife, Susan McDougal, the Clintons' partners in the Whitewater Ozarks land venture. Mr. Starr's office already has deposed Hillary Clinton three times, but the recently discovered legal bills offer the first detailed glimpse of her involvement with Castle Grande and are likely to be the basis of new questions.

The story of what happened at Castle Grande is a dense web of financial transactions that put many of the key figures in the Whitewater probe together, at roughly the same time and place.

A former municipal judge and political operative, David Hale — the man who has accused President Bill Clinton of pressuring him to make a government-backed $300,000 loan to a marketing firm owned by Susan McDougal — was indicted on fraud charges in connection with transactions that are tied to Castle Grande. After pleading guilty and agreeing to cooperate with prosecutors, Mr. Hale has alleged that he met with Bill Clinton and others to discuss that loan at Castle Grande, in a sales trailer. Mr. Clinton was governor of Arkansas at the time.

Another figure who turns up at Castle Grande is a former ranking Justice Department official, Webster L. Hubbell, Mrs. Clinton's former partner at the Rose Law Firm, who is in prison for defrauding his firm and his clients. His name shows up in the Rose firm's billing records as a recipient of memos about the project, where his father-in-law, Seth Ward, a 76-year-old former Madison executive and prominent businessman, was a main player.

Bank examiners have contended that Mr. Ward was a "straw" buyer for Madison in the fall of 1985 when the savings and loan wanted to acquire the Castle Grande property.

Forbes Stretches for the Common Touch

By Richard L. Berke
New York Times Service

CEDAR RAPIDS, Iowa — Recognizing that the flat tax proposal that helped make him the hottest Republican presidential contender may also be his biggest vulnerability, Steve Forbes has significantly recast his message beyond his signature issue and is now placing far more emphasis on populist themes.

While his single-rate income tax plan is still central to his campaign, Mr. Forbes depicts it as only part of a Washington outsider's crusade to curb the federal bureaucracy and restore power to the people.

Appropriating for himself a line that a rival, former Governor Lamar Alexander of Tennessee, has uttered for more than a year, Mr. Forbes asserts that it is time for a president "from the real world." And he has tacked other issues onto his stock speech, from a defense of Social Security to a call for more parental control of education.

At the same time, Mr. Forbes, heir to a publishing fortune, is trying to show that even a silver-spoon candidate can have broad appeal by soliciting financial backers. While Mr. Forbes has spent more than $15 million of his own on his campaign, he netted more than $1 million at a recent fund-raising event in New York.

In another "populist" touch, he has begun making appeals for modest donations through a toll-free telephone number, as did former Governor Edmund G. Brown Jr. of California when he ran for president in 1992.

At a speech Thursday morning before the Freedom Club, a group of young Republicans, Mr. Forbes put forth a sampling of his new approach, deriding his detractors as "Chicken Littles" and as "the fear mongers, the demagogues, the Washington lawyers and lobbyists" who are hopelessly embedded in "the culture of Washington."

Attacks on his tax plan, he said, were "the kind of perverted logic that comes out of our nation's capital." And he closed his address by borrowing Mr. Brown's campaign slogan: "We the people."

Mr. Forbes's repositioning in recent days is a reaction to his emergence as a significant force in a campaign that seems to be succeeding beyond his expectations.

He is in a solid second place behind Senator Bob Dole of Kansas in most polls, and that has brought more intense scrutiny.

When he was last in Iowa nearly two weeks ago, Mr. Forbes's across-the-board 17-percent income tax plan became the object of attack at a nationally televised candidates' forum.

This week, he returned as the candidate to watch: his face is splashed on the covers of Time and Newsweek (normally a candidate has to win a primary for that kind of attention) and he is drawing far more reporters and curious onlookers.

Many backers of Mr. Forbes said they initially had been motivated by a desire to promote the flat tax. But now that their candidate is being viewed as someone with an outside — though plausible — shot at winning the nomination, Mr. Forbes's advisers have realized that he had to attend to more issues.

Even the candidate seems to be taking his campaign more seriously, adding "when I am president" to his speeches.

But Mr. Forbes is also on the defensive now that his rivals are ridiculing his flat tax as a boon to the rich. So he devotes considerable time in his speeches to defending the plan.

The critical question is whether Mr. Forbes can withstand the scrutiny and the heat from his rivals — and convince voters that his command of issues goes beyond the flat tax plan.

Thus far, he seems to be coping with the new attention. He calmly responds to people who question his proposals, and, though he is relatively shy, appears at ease in front of the cameras.

Away From Politics

• A firing squad in Utah has executed John A. Taylor, 36, for the rape and murder of an 11-year-old girl. *(Reuters)*

• Surgeons at a hospital in San Diego will try to separate 2-week-old Siamese twins who have individual hearts but share a liver in an operation that could last up to eight hours. *(AP)*

• An appeals court has overturned the conviction of a Brownsville, Texas, woman sentenced to life in prison in 1994 for paying two men $3,000 to kill the boy who jilted her teenage daughter. The court said the evidence was insufficient. *(AP)*

• Mayor Rudolph W. Giuliani pledged that the police department would not reduce the number of officers patrolling New York City's streets and subways even as he weighed plans to trim 1,000 officers to help balance the city's budget. *(NYT)*

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Bonn Orders German Cyberspace Off-Limits to a Neo-Nazi

By Barry James
International Herald Tribune

The German Communications Ministry ordered a major German computer network Friday to bar access to a neo-Nazi's Internet Web site.

The ministry said that material put on the Internet by Ernst Zuendel, a 56-year-old German living in Canada, violated laws against incitement to racial hatred and denial of the Holocaust.

It ordered T-Online, a subsidiary of Deutsche Telekom, to bar its clients from logging onto Mr. Zuendel's Internet site, which he operates from Canada.

This step followed by a month a Bavarian prosecutor's order that the U.S. network CompuServe stop allowing its clients access to Internet sites containing hard-core pornographic material.

The public prosecutor's department in Mannheim, meanwhile, said it was considering prosecution of networks such as T-Online and CompuServe if they continued to allow their clients to have access to material banned under German law.

The networks, however, can only censor material they have under their direct control. For example, to comply with the German court ruling, CompuServe barred access to about 200 discussion groups dealing with sex for its 4 million clients around the world.

But the restriction could easily be circumvented by ignoring CompuServe's proprietary interface and using a standard Internet browser such as Netscape.

The commercial networks also serve as on-ramps to the information highway, which is an assemblage of many tens of thousands of other networks and individual computers. Once onto the most popular segment of the Internet, known as the World Wide Web, cybersurfers can go anywhere they want with a few clicks of a mouse.

Thus, for anyone not making the connection through T-Online's proprietary interface, Mr. Zuendel's site was easily available in Germany.

In fact, the ban created so much interest that the site was inundated with calls Friday and displayed a sign asking callers to try later.

Despite the limited reach of legal rulings in any one country, and the ease with which they can be circumvented, the Simon Wiesenthal Center in Los Angeles welcomed the decision Friday of the German communications authorities.

"It is a first chink in the armor," said the associate dean, Rabbi Abraham Cooper.

The Jewish rights organization has been prominent in efforts to create greater awareness of the problem of hate material on the Internet. It has sent letters to hundreds of access providers, asking them to refuse to carry messages promoting "racism, anti-Semitism, mayhem and violence."

Rabbi Cooper has also visited officials in several countries, including Germany, asking them to help.

U.S. Rejects EU Proposal On UN Dues

By John M. Goshko
Washington Post Service

WASHINGTON — The Clinton administration has rejected the key element of a European proposal to resolve the United Nations' financial crisis by overhauling its dues system. U.S. officials said Washington still would be required to pay too large a share of UN peacekeeping costs.

David E. Birenbaum, U.S. representative for UN management and reform, said the plan put forward by the 15-nation European Union would conflict with congressional legislation that took effect Oct. 1 limiting U.S. contributions for peacekeeping to 25 percent of their total cost. The EU proposal would reduce the U.S. peacekeeping bill from about 31 percent to 28.75 percent.

Mr. Birenbaum also said that the United States was against imposing "disincentives or sanctions," such as late payment fees or suspension of UN voting rights against countries that fail to pay dues on time.

The United Nations has a chronic shortfall of about $2.5 billion in unpaid dues by several members, with the United States owing the most. The EU proposed to overhaul the dues system so that the United States would pay less while other countries, including Japan and Germany, would pay more.

Police Raid the Internet In a U.S. Murder Case

By Scott Bowles
Washington Post Service

WASHINGTON — A killing in New Jersey that led authorities to a gay "chat room" on America Online has underscored how on-line computer discussions and e-mail — which are thought by many computer users to be private — are exposed in routine criminal investigations.

The police in Virginia, helping in the murder investigation, obtained a criminal search warrant and descended on the company's headquarters Monday to perform the first such search of America Online records. After sifting through electronic information and e-mail all day, officers confiscated dozens of files and turned them over to authorities in New Jersey.

The move sparked fierce debate on the Internet and gave law enforcement agencies food for thought. Although civil and criminal court subpoenas have been served on on-line services in recent years, the search warrant in Virginia has demonstrated law enforcement's ability to reach information some computer users thought was confidential.

"In five years, we are going to see police pulling someone's America Online records or CompuServe records" commonly, said David Banisar, an analyst for the Electronic Privacy Information Center, a watchdog group specializing in electronic communication issues.

"They are going to have access to very personal, private information," he said. "They will be able to read your messages, find out who you talk to, even what your fetishes might be. And right now, very little of that information is being protected."

But law enforcement sources said that to obtain most computer records, investigators will have to seek search warrants under the same standards that now apply to searches of private homes and businesses. Still, the police are enthusiastic about the potentially incriminating information stored in computers.

"It's an area in the future that we'll look at as an avenue to gather information and evidence," said Lieutenant Judi Lukens Torian of the police in Fairfax County, Virginia. "We don't want to overstep our bounds, and this would be used only in necessary cases. But there is a lot of information on those disks that could be vital to cases."

The case that led to the search began Jan. 5 in a suburb of Trenton, New Jersey, where the police found the body of Jesse M. Unger, 39, wrapped in a blue plastic tarpaulin and left in the basement of a house. Police arrested the homeowner, George Howard Hemenway, 38, who, according to affidavits, described how he met Mr. Unger through a "men for men" chat room on America Online.

Chat rooms allow users with common interests to trade electronic messages.

Investigators said Mr. Hemenway also used the help of several people he "met" in the chat room, including a 15-year-old boy and a 24-year-old woman, to dispose of the body. Michelle Renee Benson has been charged with tampering with evidence; the boy who police say also helped has not been charged.

After Virginia police handed over their information, investigators in New Jersey began interviewing America Online users who had communicated with the suspects. The police are also investigating whether parts of the plot may have been hatched on-line.

Speaking of the computer records, Peter McNamara, an assistant prosecutor in New Jersey, said, "There may be information that helps us determine the motive, the plan. This is new ground."

And controversial terrain. Appeals courts have not specifically ruled on law enforcement access to such records, but Congress is considering several bills that would try to curb some behavior on-line, including criminalizing indecent speech.

Mary J. Culnan, a Georgetown University associate professor and expert on computer privacy laws, said many computer users believe what they write on-line "goes off into the cosmos, never to be seen again. They don't know there is an archive."

She noted that there also are databases of archived messages posted on thousands of computer bulletin boards that can be easily searched. And savvy users can find e-mail archives and sift through months or years of old messages.

"It's a bit chilling, especially if you consider the idea of police pulling up an instant profile on you with the punch of a couple buttons," she said. "We already grapple with the issue of police overstepping its bounds. With technology today, that becomes even more creepy."

Lionel Cironneau/The Associated Press

CITY OF SNOW — A group of Japanese tourists shuffling back to their bus near the Eiffel Tower on Friday as Paris enjoyed a rare, daylong snowfall.

TAIWAN: *A U.S. Signal*

Continued from Page 1

have disastrous consequences for trade relations that are vital to the Chinese economy. One key economic link is Taiwan itself, which has invested billions of dollars into China's economy.

But as friction continues and as China continues to rattle its sabers, some analysts fear that miscalculations in Beijing, Taipei and Washington could make actual conflict more likely.

Faced with the prospect of greater recognition for Taiwan, "the Chinese feel that if they make clear enough how damaging this will be that they can stop it," Mr. Lieberthal said. "If they're wrong, then for China, having put a lot of credibility on the line, the question becomes what will maintain China's credibility." Mr. Lieberthal added that he feared the issues could "in the worst case acquire a dynamic of their own and produce an outcome that none of the participants anticipated or desire."

Taiwan has been run by the Nationalist Party, whose leaders fled there after losing the civil war in China to the Communists in 1949. The following year, President Harry Truman sent the 7th Fleet to guard the island against Communist attack. U.S. diplomatic relations with Taiwan were downgraded in the 1970s after the United States established formal relations with China.

The United States has not taken sides lately in the dispute between China and Taiwan. It has urged them to settle it peacefully.

More Slippage For Colombia's Besieged Chief

By Douglas Farah
Washington Post Service

BOGOTA — President Ernesto Samper has lost more political ground, with key politicians and leading industrialists withdrawing their support from his government and his proposal to hold a referendum on his presidency meeting criticism across the political spectrum.

Facing allegations that he took millions of dollars from the Cali cocaine cartel during his 1994 presidential campaign, Mr. Samper said his government would ask the congress to approve a referendum on whether he should stay in office. The announcement came as pressure grew on him to resign.

The leader of the Conservative Party, Senator Fabio Valéncia, ordered all members of that party to withdraw from government posts and from diplomatic posts abroad. The Colombian ambassador to Argentina resigned, bringing to four the number of ambassadors who have quit, saying that they can no longer defend the Samper government abroad.

Mr. Samper, a Liberal, had followed tradition in Colombia by giving the Conservatives two ministeries and several ambassadorships and consulates. Immediately Juan Gomez, Conservative minister of transportation, resigned his job.

Referring to Mr. Samper's call for a referendum, former president Alfonso Lopez, a Liberal, warned that holding such a vote now, "would generate a confrontation that would border on civil war."

IMAGE: *Last Laughs for Irreverent British Puppet Show That Enjoyed a 12-Year Run*

Continued from Page 1

between 6 million and 7 million, and now that it has been pushed to the late Sunday night slot of 11:15 P.M., it will probably go down even more.

The figures are still high enough for Giles Pilbrow, the 28-year-old producer, who was in secondary school when he first laid eyes on the program.

"The network's got to be seen to be making changes," he said, threading his way over cables and under lights in the studio. "So they've axed a very original program and will probably replace it with the same old boring chat show."

Others, including Mr. Law, blame nostalgia's distorting eye for the perception that the old shows were funnier. But the show is faster-paced today and, he maintains with fatherly pride, it is just as likely to step across the line of good taste.

A recent sampling bears him out:

• Two weeks ago a big-eared Prince Charles had a fawning encounter with O.J. Simpson in which he declared, "I am a great admirer of your work," and was clearly not talking about movies.

• The queen bemoans the fact, widely reported in British papers, that a stalker of Princess Anne has been caught, saying, "It's the longest relationship any of my children have had."

• The three surviving Beatles are communicating with John Lennon on a Ouija board when Paul McCartney asks, "Who should be the lead vocalist on our next record?" Slowly the answer is spelled out — "Y-O ..." — and when it gets to K, Paul somehow accidentally spills it onto the floor.

"Spitting Image" became so popular among British politicians that a tape was replayed Monday mornings in the House of Commons for those who missed it, a sign of acceptance by the establishment that made its creators nervous.

Nor are they heartened by the number of politicians who have bemoaned the program's passing.

Michael Heseltine, the Conservative deputy prime minister, has been trying for some time to buy his own puppet. Mr. Law has agreed to sell it to him, but on one condition: The money must be donated to the Labor Party.

DAIMLER: *Emphasis on Profit Over Jobs Sets New Standard*

Continued from Page 1

managers have voting seats on boards and where placing profits before jobs and good relations with neighbors is as out of place as low-fat snacks at Oktoberfest.

"I think he is showing how tough he is," said Martin Slendebroek, an analyst with Merrill Lynch in London.

"Traditionally in Germany, in nine out of 10 cases, you don't dare close down a losing operation. You just throw another enormous amount of money at it. At some point you have to call it a day. And with Fokker he did just that."

Mr. Schrempp's latest moves are almost certain to send thousands of workers in the Netherlands and Germany jobless into the streets, as well as making Dutch-German relations tenser. They follow his decisions last year to slash 8,000 jobs at Daimler-Benz Aerospace AG and sell off chunks of Daimler's AEG subsidiary, a revered name in engineering.

"We have introduced a new yardstick: A business has to be profitable," Mr. Schrempp said in an interview at Daimler's headquarters in the heart of the Black Forest region. "We need 12 percent return on capital," he said, and any business that cannot do that is in danger.

Though there have been bitter objections from Dutch workers and Fokker managers, Mr. Schrempp's actions have not really been opposed in Germany, even by Daimler's workers' council. Labor representatives on the Daimler board voted for the move.

Mr. Schrempp has systematically dismantled what his predecessor, Edzard Reuter, envisioned as his "integrated technology concern," simplifying that empire-building vision to one of a giant maker of planes, trains and automobiles.

While other German conglomerates are undergoing heavy restructuring, no company has sacrificed losing businesses as Daimler has.

At Daimler, in fact, nothing seems sacred but profits and stock price — and that is the way Mr. Schrempp wants it.

"I want everyone in the company to feel they are entrepreneurs," he said. "I want them to every morning start watching the stock price. When I started here, I asked people what the stock price was, and they didn't know.

"The tradition in German companies is that if somebody doesn't perform, you move him sideways. Now if they don't perform, they have a material problem."

Analysts say the new style of management will set a standard for Europe.

"That is exactly what Daimler and Germany need, the willingness to cut losses and admit openly that your own decision was wrong and to change," said Michael Geiger of CS First Boston in London. "Schrempp's decision means that other German managers will make tougher decisions tomorrow to get a more focused business."

Agreement to Free All POWs in Bosnia

Reuters

SARAJEVO, Bosnia-Herzegovina — Bosnia's factions announced agreement Friday to release all remaining prisoners from the war and to institute confidence-building measures to bolster last month's peace accord.

"We agreed completely to release all prisoners," Kresimir Zubak, president of the Muslim-Croat Federation, said after talks with Bosnian Serbian leaders at their Pale headquarters near Sarajevo.

"From our side, the order will be given to empty the prisons, and we've got agreement from both sides," said the Serbian assembly speaker, Momcilo Krajisnik.

Confidence-building measures will include mutual inspection of weapons and troops.

BOSNIA: *Defying the Economics of Peace*

Continued from Page 1

factories must be working again.

Money is not the only hurdle on the road to the reconstruction of Bosnia. It may not even be the highest.

There are the political realities in what is in effect a Bosnia partitioned between the Serbian republic and the Bosnian-Croatian federation.

Who will own the Tuzla power plant? The city is controlled by the federation, but the plant also distributes electricity to Serbian areas. How willing are Western donors going to be to repair houses in Serbian territory when the houses belong to Muslims who have been forced out and probably will not return home? And how do you build an economy in a country that has never known capitalism and where ex-Communists still occupy many important local positions?

Then, there is the pervasive corruption. "It is a legacy of the past," said a senior UN official in Bosnia.

Local officials have charged relief agencies a "war tax" of 10 percent on all materials purchased for aid projects. And mayors want Mercedes sedans before approving projects, reconstruction officials said.

A couple of weeks ago, 1,500 tons of wheat flour donated by the United States and intended for refugees was "stolen" from a warehouse in Tuzla, according to UN and NATO officials. But a senior Bosnian government official in Sarajevo issued written orders and sent trucks to take the flour, most of which was handed over to Bosnian soldiers and the police, Western officials said.

Reconstruction is essentially in the hands of the World Bank. Civilians here are not likely to get any help from the 60,000-member NATO force, which has the people, bulldozers and other equipment that could go far toward repairing the roads and putting a coat of paint and windows in schools, if nothing else.

"We're not engaged in nation-building," Sergeant Robert Miller said, explaining why the 600 soldiers from the 3d Cavalry who have set up their base here won't be undertaking good-neighbor projects with hammer and saw.

That would be "mission creep," the sergeant said, using the jargon for exceeding the boundaries of a mandate.

The Tuzla headquarters of the U.S. operation in Bosnia declined requests for interviews to discuss what the policy would be toward good-will projects.

It is obvious that even a little military sweat and muscle would help someone in this village. It might even help the soldiers relieve some of the boredom and deal with the emotional effects of the destruction around them.

"You just imagine the children who were here," Sergeant Shatto said as he walked through a two-story schoolhouse with every window blown out. In the rubble there were a white tennis shoe and part of a styrofoam Santa.

"It's an emotional roller coaster walking through this place," said Lieutenant Lance Cutsworth, 27, a mortar platoon commander whose men were camped in the ruins of a farmhouse.

In the rubble of one house, he found a small sweater. He figured it had belonged to a 3-year-old girl. "You wonder what happened to her," he said.

GERMANY: *EMU Leader Not Yet There*

Continued from Page 1

annual economic report revealed that Germany will overshoot the budget deficit target of 3 percent of gross domestic product, the term set by the Maastricht treaty on European currency union. Though Germany was once seen as a shoo-in for the single money, economists now think Bonn will have to fight harder to meet the terms of the treaty by 1997, the critical year for selection.

It was the second such unwelcome surprise that Germany has given Europe after Bonn already acknowledged this month that its deficit ratio ended 1995 at 3.6 percent. On Friday, it said it expected 3.5 percent for this year.

The new figure shatters expectations that Finance Minister Theo Waigel could limit spending enough to make 3.0 percent for 1996. It is also an embarrassment for Germany, whose fiscal finger-pointing at other free-spending governments has made Germany into Europe's self-appointed model of fiscal rectitude.

At a meeting Friday of Christian Democrats in rural Germany Mr. Waigel reiterated that the treaty's fine print cannot be revised. Even Germany must make efforts to meet them, he said.

Attaining the 3.0 percent threshold is "certainly within grasp on the condition that the world economy picks up in 1997," said Christopher Potts, an economist at Cheuvreux de Virieu, an investment house in Paris.

The latest development confirms Germany is not immune from problems elsewhere in Europe. With an economy flat on its back, Germany cannot control its finances as more laid-off Germans drop out of the tax rolls and into the public dole.

When he formally releases the annual economic report on Tuesday, Mr. Waigel is expected to unveil a package of measures aimed at stimulating the stagnant economy. The centerpiece of those measures probably will include tax cuts to encourage new business creation and unlock venture capital.

The economy shows all symptoms of serious exhaustion, as layoff announcements continued.

On Friday, workers at AEG AG estimated that 350 jobs would be lost when the parent Daimler-Benz AG shuts the company's Frankfurt headquarters.

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China Shrugs Off Hong Kong Critics

Is Transition Group Lopsided?

By Kevin Murphy
International Herald Tribune

HONG KONG — Beijing, ignoring criticism, on Friday appointed 150 members of an official group that will help script the British colony's return to Chinese rule in just over 17 months.

Critics charged that the newly formed Preparatory Committee did not represent the general Hong Kong community.

President Jiang Zemin, noting that the committee faced a "heavy task," described the regaining of Hong Kong as one step on China's "Long March" of reunification with Macao and Taiwan.

"In terms of reunification, the return of Hong Kong to the motherland is the first station in our Long March," Mr. Jiang told the group, gathered in Beijing's Great Hall of the People for the committee's inauguration.

"After that there is Macao and, finally, Taiwan," he said. Several senior leaders attended the ceremony.

"We will have a bright future if we do well with this first station of Hong Kong," Mr. Jiang told the committee, which is dominated by 94 Hong Kong residents drawn largely from the colony's business establishment and pro-Beijing loyalists.

While China is scheduled to regain full control of Macao in 1999, relations with Taiwan have soured amid reports of China's plans to attack its island rival with missiles.

In Hong Kong, Beijing will charge the Preparatory Committee with establishing the government that will administer Hong Kong starting on July 1, 1997.

Equally important, said Mr. Jiang, will be the committee's efforts to unite the local community as the transition unfolds.

"The most important thing is to unite all patriots in Hong Kong," he said. "Under the flag of loving the motherland and loving Hong Kong, the Preparatory Committee can unite all forces that can be united."

Mr. Jiang's call for unity comes as many of Hong Kong's leading politicians, including Governor Chris Patten, have criticized the composition of the Preparatory Committee for its leaning toward the business establishment at the expense of grassroots organizations and spokesmen.

But both the British and Hong Kong governments have pledged to work with it on handover planning.

The Preparatory Committee, which includes top Chinese officials and technical advisers, probably will keep its deliberations private.

Speculation as to which member will be made Hong Kong's first chief executive fills local newspapers.

A front-runner seems to be a shipping magnate, Tung Chee-hwa, whose family controls the Orient Overseas Container Lines group.

That status is based on a rare public endorsement by one of Hong Kong's most influential figures in Beijing, Henry Fok, as well as influential Chinese sources.

Earlier in the week a younger man, Leung Chun-ying, was endorsed by another senior pro-China figure, T.K. Ann, a sign, as read by local analysts, of strong rivalries among the Hong Kong members of the Preparatory Committee.

On Friday, however, Mr. Leung denied having any plans to seek the position.

Manila's 90-Minute Sea Battle With Shadowy Foe

Romeo Ranoco/Reuters

PHILIPPINE PROTEST — President Fidel V. Ramos trying to calm demonstrators on Friday in Manila, where talks on food problems were held.

Beijing Denies Involvement in Clash

The Associated Press

MANILA — A Philippine Navy patrol boat exchanged heavy gunfire for 90 minutes this past week with two pirate ships that victimized boats plying between China and the Philippines, the military said Friday.

An initial military report of the clash said that the pirate ships, which escaped, were flying Chinese flags and that some foreign crewmen were injured by the heavy firing.

But the navy quickly retracted that account, saying it was still verifying the identity of the vessels.

"We cannot by any indication say that what happened was a battle between the Philippine and Chinese navies because we have no evidence to say that," Defense Secretary Renato de Villa said. The incident took place Monday.

Countries in the region have grown nervous about a growing Chinese military presence and what is perceived as Beijing's increasing use of military threats.

In Beijing, the Foreign Ministry denied any Chinese involvement in the clash.

"That has nothing to do with the Chinese side," it said.

In a lecture to the Philippine National Defense College on Friday, the Chinese ambassador, Guan Dengming, assured the Philippines that China would not be an aggressor, but said that "if peaceful means of resolving issues fail, we will have to use force."

Mr. de Villa said the vessels were manned by pirates who attacked ships traveling between China and Subic Bay, a former U.S. naval base west of Manila. The area of the clash, about 110 kilometers (70 miles) west of the capital, is frequented by pirates, both Filipino and foreign, the navy said.

Mr. de Villa also revealed two previous incidents in January involving suspected pirates in the area, one of which involved shooting.

The navy said a gunboat on anti-piracy patrol sighted the two vessels Monday 20 kilometers off Capones Island near northwestern Luzon and fired warning shots.

The two ships sped off and the navy boat pursued, leading to a 90-minute gun battle, the navy said in a statement. There was no reason given for the delay in reporting the clash.

The Department of Foreign Affairs said it considered the incident "a matter of law enforcement without political significance," but described the two ships as "intruders" in Philippine territorial waters.

On Thursday, the Philippines allowed four Chinese boat captains to return home nearly 10 months after they were arrested on charges of fishing near a Philippine-controlled area of the disputed Spratly Islands.

The four were the last of 62 men from four ships who were tried and jailed in connection with the incident.

China and the Philippines have conflicting claims over the island chain, which is also claimed in whole or part by Vietnam, Malaysia, Taiwan and Brunei.

The Spratlys, southwest of Manila, are far to the south of the area where clash occurred Monday.

BRIEFLY ASIA

Red Cross Helps North Korea, But Another Aid Effort Falters

SEOUL — The South Korean Red Cross on Friday shipped blankets and food to North Korea, but negotiations in Honolulu on an international aid effort ended without agreement.

A Red Cross spokesman said the shipment included 100,000 packs of instant noodles, 20,000 pairs of socks and 2,000 blankets.

But talks in Hawaii among the United States, South Korea and Japan failed to resolve a dispute between the three nations on how to help North Korea. A spokesman said the food situation in North Korea was high on the agenda, but that the talks had been hampered by the lack of concrete information about any aid emergency from one of the world's most isolationist nations.

Foreign aid officials say the need is real but South Korea says the situation has been exaggerated. *(Reuters)*

Blasts Mar Indian Celebration

NEW DELHI — A bomb blast that killed two soldiers and wounded three others, another explosion and a failed attempt to attack a parade in Kashmir marred India's Republic Day celebrations Friday.

A bomb planted by suspected separatist militants exploded in the northeastern state of Manipur, killing at least two paramilitary troopers and wounding three others, the United News of India said.

An early morning explosion in the northwestern city of Jaipur sent one man to the hospital and delayed the start of a parade. In the third incident, security forces thwarted an attempt by suspected separatists to attack a parade in Srinagar, the summer capital of Jammu and Kashmir State, police said. Only hours before celebrations were set to begin, a rocket fitted with a timing device was recovered close to the stadium where the celebrations were to take place. *(Reuters)*

Cambodia Takes 2 Rebel Posts

HIGHWAY 10, Cambodia — The Cambodian Army has captured at least two Khmer Rouge outposts in the northwest before an expected move on rebel headquarters at Pailin, officials said Friday.

The armed forces earlier this month launched an offensive to capture a rebel post at Klar Ngap in the northwest province of Banteay Meanchey, but increased fighting is now being reported further south in Battambang Province along Highway 10.

Analysts believe the government is about to embark on its most serious attempt since 1994 to break up the Khmer Rouge, the guerrilla group that rejected United Nations-organized polls in 1993 and has been sporadically fighting the coalition government ever since. *(Reuters)*

Ex-Aide to Roh Received Cash

SEOUL — The national security adviser to former President Roh Tae Woo acknowledged Friday that he received money from businesses hoping to win arms contracts.

Kim Jong Hwi, arrested in December, is accused of receiving almost $300,000 from leading businesses attempting to gain contracts involving fighter planes.

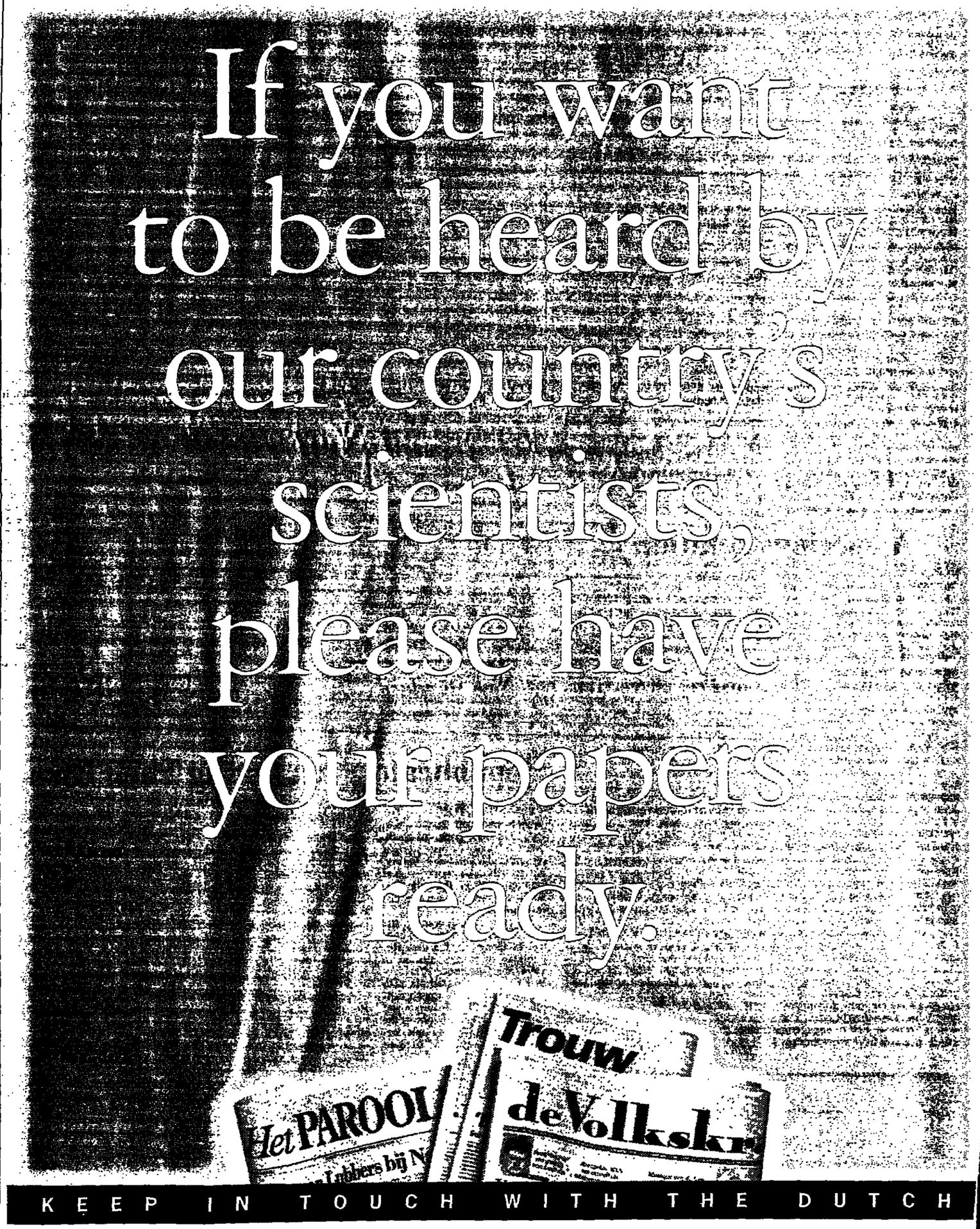
Kim Woo Joong, head of the huge Daewoo conglomerate, is accused of giving the security chief $65,000. He acknowledged giving the money, but insisted it was a donation rather than a bribe. *(AP)*

Force Urged in Hostage Crisis

JAKARTA — Criticizing the failure of talks to free 13 hostages held by guerrillas, a provincial official in New Guinea demanded Friday that soldiers use force end the three-week-old standoff.

The latest round of talks ended on Thursday when two Christian missionaries who were acting as mediators returned from the rebel base in the jungle without any hostages.

The rebels want independence for Irian Jaya, the Indonesian half of the island of New Guinea. They are holding six Europeans and seven Indonesians who were abducted Jan. 8 in the Baliem Valley, home of some of the world's most primitive tribes. *(AP)*



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Herald INTERNATIONAL Tribune

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Building Peace in Ulster

The stalled peace process in Northern Ireland got a nudge this past week from an international commission headed by former Senator George Mitchell. It suggested a compromise plan for getting rid of the guns in the conflict and moving ahead with crucial all-party talks. But Prime Minister John Major of Britain quickly offered a new precondition to the talks. In the process, he alienated the Social Democratic and Labor Party, a key player in any solution to the Northern Irish problem, and broke ranks with the Irish government, which has helped build the fragile consensus for peace.

The commission rejected the British government's long-standing insistence that the Irish Republican Army hand over some of its weapons before talks begin. As a compromise, it suggested that the disarming go forward along with the talks, rather than before them.

Mr. Major responded by saying that if the IRA would not surrender any of its arms before coming to the table, it should agree to elections to choose participants in the talks.

On the surface, this looks reasonable. But to Irish Republicans, and to many in the minority Catholic community, it arouses fears of a return to the days when the Protestant majority imposed its will through the Northern Irish Parliament.

Gerry Adams, president of Sinn Fein, the political wing of the IRA, had taken a considerable risk in persuading his armed followers to try talking instead of shooting. Now Mr. Adams says he feels undermined, that having convinced people that there was an alternative, he has "presented them with a vacuum."

Mr. Major's current majority in the House of Commons will probably be reduced in the coming weeks in two by-elections. John Hume, head of the Social Democratic and Labor Party, accused Mr. Major of trying to keep the votes he needs for his political survival by stalling the peace process.

Mr. Major's place in history will be determined by his handling of the Irish crisis. A meeting between the British and Irish governments is planned for mid-February, and Mr. Major has not categorically rejected moving to all-party talks in February, as originally outlined in the joint communiqué issued by the two governments.

The courageous course would be to accept the commission's suggestion of concurrent talks and disarmament, understanding that such a solution will also be difficult for the IRA. The talks can and should include plans for elections and discussions about the shape and the powers of an elected body.

Despite the overwhelming public support for peace, the more cynical of Mr. Adams's followers may now feel they have given up too much and gained too little. Any discussion of elections will have to take into account the legitimate fears of the Catholic minority and find a way to move quickly into talks with all parties. The Mitchell commission report provides the best guide now available for building the necessary trust.

— THE NEW YORK TIMES.

Polish Revelations

The Polish political universe has been rocked by charges that the prime minister, a former Communist named Jozef Oleksy, passed state secrets to Soviet and then Russian intelligence, notwithstanding warnings by Polish counterspies. The affair could be put down as a shocking but transient sensation if it did not have dark implications for Poland's whole post-Cold War effort to fit itself out for full acceptance in the hearts and institutions of the West.

It is characteristic of the volatile Polish political scene that this episode exploded in a context of fierce partisan controversy. Mr. Oleksy, whose old Communist party is struggling to be accepted as a party of new-age social democrats, had been in office nearly a year. His government was beavering away at the reform that has made the Polish economy one of Central Europe's success stories. The charges arose only when the Solidarity hero Lech Walesa was defeated for president by another former Communist, Aleksander Kwasniewski, of the prime minister's party. Mr. Oleksy insisted the charges were a police provocation mounted by a vengeful Mr. Walesa. But Poles are, for good historical reason, extremely sensitive to suggestions of subversion by their Russian neighbors, and Mr. Oleksy had to resign.

Poles are now grappling with the question of whether this affair permits or requires a political realignment, with or without early elections. It is their business. Outsiders, however, cannot fail to be stunned at the very notion that a Polish prime minister could be recruited as an informer for Moscow, and not just in the old days but as recently as last year. The real damage is being done not to the reputation of this or that politician in Warsaw but to the Polish nation's hopes of redeeming a century's tragedies by attaching itself securely and institutionally to the West.

To find that the security forces of Poland and Russia may still be manipulating Polish politics is a heavy blow to prospects of democratic normalization. The West is not foolish to expect Poland and other former victims of Soviet and Communist rule to earn their passage into democratic company by meeting high standards of democratic practice. Communists labor under an unavoidable burden to demonstrate that they are truly reformed and are no longer the agents of a foreign power or a discredited ideology.

— THE WASHINGTON POST.

A Specious Solution

The Republicans have been routed on the budget, at least for now. They lack the votes to get their version past the resisting president, their bluff has been called on shutting down the government and/or precipitating default and they are looking for a way to save face. Their latest proposal is for a "down payment" on a balanced budget that would let each party claim to have accomplished at least some of its goals. The president and other Democrats are said to be interested. And what is the central ingredient of this first step toward the fiscal discipline to which both parties now profess to aspire?

It's an election-year tax cut, that's what. What an excellent cure for fiscal indiscipline that is sure to be. They say a new kind of politics is in place, but this porky notion sounds an awful lot like the old-fashioned kind to us. The Republicans love it. By cutting taxes while preaching a balanced budget, they add to the pressure for spending cuts, which is fine with them. It ought not be fine with the Democrats, who say they are trying to protect the principal forms of federal aid to the elderly, poor, states and cities, education, etc. But the president, as part of his effort to adopt protective political coloration after the 1994 election, also endorsed a tax cut, and now of course he too is running for re-election. Question, though. If you want to give a tax cut, how do you pay for it and reduce the deficit besides? The Republicans propose first to engage in some fiscal make-believe about the cost by pretending that the cut — a per-child tax credit — will last only two years. The president used a similar device to make a recent budget of his look balanced. Then the Republicans list some spending cuts to which they say the administration earlier agreed. Some are one-time-only savings that ought not count. Most of the rest are in food stamps and other programs for the poor. You cut low-income programs in order to give a mostly middle-income tax cut and in the name of reducing the deficit. But the likely long-term effect will be to add to the deficit instead, unless of course further spending cuts are made. The Democrats can't buy this.

The president has managed to deflect the Republican proposals. That was useful in relation to those elements of the plan that would have done great harm. But the president has no real alternative of his own. It's possible to bring the deficit down without stranding needy people. But to do so, the parties have to be jointly willing to put the arm on most of the rest of the society, and they aren't. The deficit is a serious problem. As the baby boomers begin to retire not that many years from now, it will become much more so. In working their way to this impasse, the president and the Republicans have squandered the opportunity to solve the problem. No fake down payment, whose main purpose is to let both sides claim they have partly done what they have not, should obscure that fact.

— THE WASHINGTON POST.

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Blue Skies in Palestine – and Now the Real Work

By Flora Lewis

JERUSALEM — It took nearly 18 years after the Camp David Israeli-Egyptian peace treaty to carry out its provisions for Palestinian autonomy and elections. That should be a caveat about expectations for a full, definitive settlement between Israelis and Palestinians by the three-year deadline for negotiations set to start in May.

None of the really hard issues — borders, refugees, settlements, water, Jerusalem — has yet been addressed. During the campaign for the 88-member Palestine Authority, which has just been chosen, it even became evident that Yasser Arafat — now president-elect — won't have an easy time fulfilling his pledge to remove clauses on the destruction of Israel from the PLO's charter by March 20.

His overwhelming victory, and the big voter turnout except where Israeli troops got in the way, showed the great majority of Palestinians now do support the drive for peace. For the first time, it gave him undisputed legitimacy as the voice of Palestine and the interlocutor with Israel.

And it gave Palestinians the proud right to say they conducted the most democratic elections ever held by Arabs, though that isn't saying as much as it should. Perversely, it was the widespread complaints about the high-handed authoritarianism of Mr. Arafat's Fatah organization that showed how seriously people do want the guarantees of democracy, "not like in other Arab countries," several told me.

That is going to be part of the trouble. Neither attitudes nor everyday lives have basically changed. Mr. Arafat hasn't done a lot to persuade his people of the need for compromise. Even on the purely rhetorical issue of changing the charter, they said: "When we have our rights" or "What will we get for it?" Few are aware that it was a condition for what has already been achieved and that if it is not fulfilled, there is a real risk of blocking the whole process.

Mr. Arafat is caught in the democratic bind of negotiating. His constituents want him to be tough; their only argument is how intransigent. But he won't get anywhere with Israel if he holds out for maximum goals.

The elections, an essential milestone, were a peculiar mix of a national referendum and a choice of representatives. The large corps of more than 700 international monitors, in which I participated, treated them as a more or less normal political procedure, if a historic first, and paid attention to the usual requirements against fraud and intimidation. There were lapses, but not so many as to invalidate results. The polling officials were conscientious.

But for the voters, the big, overriding issue was, as one schoolteacher told me with excitement, that the Palestinians are making their country. She, like most, was full of expectations.

I was assigned to monitor polling stations in Salfit, a rural district near the Green Line with Israel. You can see Tel Aviv from the hills. And you can't help seeing Ariel, a new hilltop Israeli town euphemistically called a "settlement" but which looks like a suburb in any Western country. It is a different world from the Arab towns and villages, with trim new houses, paved streets, plenty of lights.

In Ariel, a pretty blond barmaid, recently emigrated from Finland, casually summed up the whole conflict when I asked what she thought of the Palestinian elections. "They want to make a country here. How can they when we already have a country?"

That has been the central issue all along. The Oslo accords were a way of sidling up to it. Agreements are based on ambiguities. Few are ready for clarity. There are endless arguments at each step, sometimes over absurd trivia.

Only the day before the elections was the issue of the hole in Jerusalem ballot boxes settled. Israel consented to allow a small percentage of Arab Jerusalemites to vote in the city, but only in post offices, on the pretext that they would be mailing their ballots and not establishing Palestinian rights within city limits. So Israeli officials said the box should have its slot in the side, like a postbox, while Palestinian authorities said no, in the top. They compromised: It was on the edge.

Even such a ridiculous detail is considered highly symbolic, by both sides. What has been achieved, essentially mutual recognition, is irrevocable, but momentum is still precarious. The big breakthrough has yet to come.

There were torrential rains and a snowstorm just before, but election day was bright blue. Perhaps it was an omen. The serious disturbances that had been feared were averted. Important steps have been taken, but there is still a long way to go, the hardest part of the way.

If mutually acceptable success is achieved, Palestine could become a beacon for the Arab world, as it has been a consuming, emotional torch for at least two generations. Palestinians and Israelis have to work it out with each other, but the world can't set their conflict aside as just cleaning up. They are only beginning to resolve it.

© Flora Lewis

Arafat Ducks and Dodges Over Question of PLO Charter

By A. M. Rosenthal

NEW YORK — Once again Yasser Arafat is proving, sometimes twice a day, that he can be counted on to show he cannot be counted on.

This is not some quirk or weakness of character. He has moved from being a rebel hunted by Israel and enemies in his own movement to being the elected leader of a nation that is on the cusp of independence, a negotiating partner considered of critical value by Israel and the United States.

He has accomplished all this through the determination of the Palestinian people, the decisions of the Israeli government — and also his own ability to change his tactics and word to suit the interests of himself and Palestinian nationhood.

This time he demonstrates his talent to change ground by what he is saying, hinting, putting forward and taking back, sometimes almost simultaneously, about his promise to rewrite the charter of the Palestinian movement. His maneuvers serve notice that he is not bound to that promise, as the world had assumed.

The charter, adopted by the Palestine Liberation Organization in 1964, is a clearly stated premise and oath, both running through the whole document. The premise is that the Jewish state is vile in concept and illegal in existence. The oath is that Palestinians will fight on until Israel is destroyed and replaced in its entirety by an Arab Palestine. The charter is relatively brief, entirely plain.

The Oslo agreement that began negotiations between Israel and Mr. Arafat was possible because of his promise that the charter would be rewritten to remove the death-to-Israel threats. That means a total rewrite job. Without that promise, no Israeli government could have negotiated with Mr. Arafat.

The promise comes due at the end of March. But he says now that he has no power to revise the charter himself but needs an unattainable two-thirds' support of the 450-member Palestinian Council and that, anyway, it was amended tacitly when the PLO began negotiations with Israel, so what do you want?

The outside world pays no attention. What difference does revoking the death clause make compared with what has been achieved in the Israel-Palestinian talks?

The Israelis have used the talks to establish peace with all their immediate neighbors except Syria, and relations, formal or not, with many Muslim countries that had treated Israel as the enemy.

The Palestinians have collected almost 90 percent of West Bank Arab towns and land under their control, hundreds of millions in foreign aid, full acceptance as a nation in most of the world, with U.S. and Israeli recognition only a matter of time.

If Israel's Labor Party is defeated by Likud in this year's election, the new government will tighten security demands but will not start a war to retake the West Bank. Mr. Arafat and his techniques, from terrorism to negotiation to consistent inconsistency, have paid off for himself and his people.

But the Labor government will not be casual about the covenant. The new foreign minister, Ehud Barak, is expected to resist going into the critical final round of negotiations — about Jerusalem, Palestinian independence, water, more withdrawal of Israeli troops — with the charter promise unfulfilled by Mr. Arafat.

Mr. Barak will be important in Israel politically, as he was militarily as chief of staff. No, he is not a maverick who will challenge Prime Minister Shimon Peres in his own cabinet — that way leads straight out.

But his military reputation, his straightforward style and the likelihood that he will come to be liked and respected by American Jews give him a strong voice. Already Syrians and leftists are denouncing him as too tough-minded.

But if Mr. Arafat does renege, Mr. Peres may not need prodding to suspend talks until after the Israeli elections. His Likud opponents say yes, and if he wins he will end the suspension and fudge the charter issue.

Mr. Arafat also figures that Labor's deep desire for a Mideast agreement would eventually override the Israel public's angers and fears if he breaks his word about revoking the charter *jihad* against their existence.

Maybe not. The one big problem with consistently shifting ground is very big. Sometimes the ground suddenly gives way, takes you with it, and somebody else is standing up there, looking down.

The New York Times.

Bosnia Must 'Choose Europe' and Break Its Links With Iran

By Anthony Lewis

WASHINGTON — The Dayton peace accords gave the government of Bosnia a historic opportunity. After the cruel years of victimization and neglect, here was a chance to build a country — with the help of Europe and the United States.

In the early weeks under the Dayton terms there are unhappy signs that Bosnian leaders may let that opportunity slip away. They seem suspicious, divided, unable or unwilling to adjust to a new situation. It is understandable, given what they suffered. But it is frustrating to U.S. officials and others who want to see Bosnia emerge from its torment.

One indication of the problem is the fact that, according to U.S. intelligence, about 300 foreign Islamic fighters remain in Bosnia. The Dayton accords called for the departure of all foreign forces by Jan. 19.

Most of the foreign soldiers still on hand are Iranians. They worry the commanders of IFOR, the implementing force of NATO and other troops. There is a particular concern that extremist Islamic fundamentalism could lead to an attack on U.S. forces.

The Bosnian government seems reluctant to send the Iranians home. Indeed, there are reports that it is offering citizenship to some of them, a step forbidden by Dayton.

When U.S. officials press the Bosnians on the issue of the foreign fighters, they sense reluctance to turn against a country that helped Bosnia in its most desperate hours. When it was virtually defenseless because of an international arms embargo, the West did not help but Iran did.

That is all true. America was warned that if it abandoned the Muslims of Bosnia to genocidal Serbian aggression, its recklessness would throw them into the arms of Iran. That happened.

But in the world after Dayton, Bosnia has a chance to be an accepted part of the continent where it is situated, Europe. It cannot achieve that if it maintains a close military connection with Iran. Nor can it fudge the situation, hoping to get arms from both Iran and the West. It has to choose.

Secretary of State Warren Christopher has warned the Bosnian government that it will not get the promised military equipment and training unless it complies with the Dayton requirement for departure of foreign soldiers — and with another term it has not met, the release of all war prisoners.

He is making his first visit to Sarajevo next week, and he will undoubtedly tell President Alija Izetbegovic and others that they are putting a great opportunity for their country at risk.

The opportunity is there, especially, because of an ironic fact. Slobodan Milosevic of Serbia, who aroused the bloody Serbian nationalism in the first place, now wants for his own reasons to make Dayton work. He believes that the defeat of the Bosnian Serbian extremists will make his hold on power more secure.

There was a dramatic example of Mr. Milosevic's new posture the other day. The U.S. assistant secretary of state for human rights, John Shattuck, was in Bosnia. He wanted to visit the site of suspected Serbian massacres and mass graves around Srebrenica.

Mr. Shattuck asked the NATO commander in Bosnia, U.S. Admiral Leighton Smith Jr., for security guards. Admiral Smith said no. Then Mr. Shattuck asked Mr. Milosevic. He said yes — and kept Mr. Shattuck secure as he found a warehouse that he said was the site of "one of the most horrendous mass killings in an area where there were terrible massacres."

After all that Bosnia suffered, it is hardly surprising that its leaders are uneasy and suspicious. It is crucial, therefore, for all those in the West who care about Bosnia's survival to find ways of reassuring its leaders that they can rely on America.

Congress is a serious obstacle in that regard. So far it has not been willing to approve the first $200 million of reconstruction aid that the United States has promised. Its reluctance is playing into the hands of Bosnian leaders who want to keep the Iran connection.

Senator Bob Dole has a critical role to play in all this. He steadfastly favored ending the embargo and arming Bosnia when it was under attack, and its leaders greatly respect him. He should tell them not to miss their chance — and tell his colleagues in Congress not to hold back aid for reconstruction.

The New York Times.

Republicans Start Eating Their Own

By David S. Broder

WASHINGTON — The Republican game plan for 1996 has gone off-track. There is plenty of time to right it before November's voting, but it will take work — and smarter strategy than the Republicans have shown the last few months.

Instead of celebrating the start of their second year in control of Congress, the new Republican majorities elected in 1994 are frustrated. President Bill Clinton has used his veto pen to scratch out large parts of the Contract With America and turned up the megaphone of the presidency to drown out Republican explanations of their policies and plans.

The original Republican theme for 1996 — "promises made, promises kept" — has been altered to read: We did our damnedest but it wasn't enough. Republicans conceded last week that it will take another election to gain a clear mandate for the changes they want to make in Medicare, Medicaid and welfare, and to enact the balanced budget and tax cuts they hoped to pass on the basis of 1994 returns.

They can blame President Clinton, but the fact remains that they look like another set of politicians who did not deliver on their promises.

Another deviation from their plan is that Republicans had hoped for a short, sweet nomination contest. What they are getting is anything but sweet — and it may turn out not to be short.

Rank-and-file Republicans are complaining about the meanness with which their hopefuls are treating each other. But Haley Barbour, the Republican national chairman, has not stirred himself to request restraint. When asked why, Mr. Barbour says that he wants to preserve his reputation for impartiality, implying that any jawboning on his part would be interpreted as an effort to protect Senator Bob Dole's early lead in the polls.

Republicans have forgotten Ronald Reagan's 11th Commandment — "Thou shalt not speak ill of another Republican" — so completely that the nomination winner may be badly scarred before he ever has to step into the ring against Mr. Clinton. With Mr. Dole's response to the Clinton State of the Union address drawing negative reviews, doubts are growing about his ability to wrap up the nomination early, so the bloodletting could go on for a long time.

Meantime, the Republicans' pet issue of 1996 is also taking it on the chin.

Mr. Barbour and other party strategists have planned for more than a year to make radical simplification of the tax code the main economic plank in their platform and the foundation of their promise to improve take-home pay for millions of middle-class families.

But the House majority leader, Dick Armey, the leading congressional proponent of the flat tax idea, told me last week that he was worried the debate in the primaries was tainting that plan.

"I had hoped it wouldn't get too much discussion until after the primaries," Mr. Armey said, "so it wouldn't become a target" of Republican presidential hopefuls shooting at each other.

Instead, because of the success of Steve Forbes's self-financed, multimillion-dollar ad campaign promoting the flat tax, Mr. Dole, Lamar Alexander, Phil Gramm and the former television commentator and columnist Patrick J. Buchanan all have been slamming the Forbes version of the flat tax. They call it "a crazy idea" that would threaten "to shift the tax burden from the super-rich to middle-income taxpayers."

Mr. Armey, who is supporting his fellow-Texan Gramm, says he would have a hard time defending the Forbes flat tax. "It sounds like he took my 1994 proposal," Mr. Armey said, "and I'm sorry he didn't consult with me," because in 1995, after further analysis, Mr. Armey says he revised his plan to reduce revenue losses to the government, and to make it less likely that middle-class families would lose money in the deal.

Every dollar that Messrs. Dole, Gramm, Buchanan and Alexander spend trashing Mr. Forbes's flat tax is a boon to the Democrats. The flat tax may have so many holes shot in it by convention time that it won't be available as the unifying economic message for the fall campaign. Without that cover, Republicans risk a renewed focus on a social-issue agenda that mobilizes the conservative base but costs them support among Ross Perot backers and other independents.

They need a new game plan.

Washington Post Writers Group.

IN OUR PAGES: 100, 75 AND 50 YEARS AGO

1896: Servian Pigs

ST. PETERSBURG — The attention of Russia is drawn towards Servia, which country, offended by Austria's conduct in forbidding the entrance of Servian pigs into Austrian territory — a very serious matter for Servia as she produces more pigs than anything else — is coquetting very seriously with Russia. At every opportunity Servia is being told of the advantages she will gain by being under the protection of Russia, and feeling in Servia appears to be forming itself in that direction.

1921: German Redress

BERLIN — Germany's views on the reparation question are set forth in a semi-official statement. The statement says that it is urgent for Germany to know the total of her reparation debt. According to the peace treaty, Germany has a right to be informed of this total before May 1. But as fixing the total is difficult both technically and psychologically, the German Government is prepared to renounce the date of May 1, provided it can agree with the Allied Governments on the partial payments to be made by Germany in the next five years.

1946: U.S. Casualties

WASHINGTON — The War Department revised upward its war-time casualty list today [Jan. 26], adding 5,646 to the list of soldiers killed, and bringing the over-all total of all American casualties to 1,068,378. Department reports, corrected to December 31, listed total Army casualties as 922,764, an increase of 109 over the last total announcement two months earlier. The principal change was to increase the list of those killed from 217,569 to 223,215.

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Work

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Petworth House, West Sussex, the National Trust

Sir Anthony van Dyck's portrait of Sir Robert Shirley as "Persian ambassador" painted in 1622 in Rome.

Mirror on British Society

International Herald Tribune

LONDON — It is a fantastic idea, and it had never been done before — a whole nation inspects its changing image mirrored by the paintings that were commissioned for some, collected for others, over the centuries in the aristocratic mansions of the land.

Curiously, that idea is never spelled out in the show, blandly called "In Trust for the Nation: Paintings from National Houses" on view at the National Gallery until March 10.

The exhibition begins with a ferocious visual indictment of the establishment, "the Portrait Gallery," in which full-length portraits are hung with a splendid rhythmical effect, as in

SOUREN MELIKIAN

some grand hall of a country house. It makes cruel fun of the high and mighty.

There is Sir Robert Shirley, the English adventurer who married a Circassian woman in Iran, and then got himself sent to Europe as ambassador at large by the shah, Abbas I. Van Dyck portrayed the Englishman in Rome in 1622 after he had been received by Pope Gregory XV as "Persian ambassador." Indeed, Sir Robert posed dressed up as an Iranian courtier. Well, almost.

The turban is too big, the aigrette too small. Under the golden satin coat embroidered with figures that could have stepped out of some Isfahan miniature, the sash is grotesquely knotted and the Western stockings look odd. Add a thin, tight-lipped smile, more like a glare, and somehow one is left with the feeling that Van Dyck was not much taken with his patron.

Facing him at the other end of the room, a dubious trio has been unkindly assembled. In the center, a "Mrs. Robinson," whose identity still remains mysterious, is seen standing against a garden backdrop. The portrait was commissioned by the 3d Earl of Egremont, whose reputation led Thomas Creevey to conclude, after a visit to Petworth House in 1828, that a whole row of feminine portraits immortalized "My Lord's Seraglio." Cast in her role of la femme fatale, Mrs. Robinson has a very professional air, her sinuous body clad in a long velvet gown which she pulls up with one hand to uncover her foot.

On one side, she is flanked by William Beckford, who was portrayed by George Romney in 1781-1782 shortly after his affair with the Honorable William (Kitty) Courtenay began. The young man, his white waistcoat gleaming under a golden sunset light, leans back languidly against a pedestal carved with the lamenting figures of mourners — apparently Romney did not feel overly sympathetic either.

This is nothing, though, compared with Gainsborough's rendition of Commodore John Henry, whose portrait hangs on the other side. The officer is seen standing on the seashore in the conventional pose of nonchalant elegance one leg crossed in front of the other as he leans on the spike of a huge anchor that happens to be there. His protruding mouth shut tight conveys a ruthless brutality made more sinister by his elegant attire and well-groomed hair.

There was a more charming side to English society revealed in section II, "Conversation Pieces." Sir Nathaniel and Lady Caroline Curzon painted as a young couple by Arthur Devis in the park of Kedleston Hall, adored each other. She sits in her ravishing satin dress, prim and happy, as he gazes at her, a bit gauche and rapturous. The delicate shades of green under the pale sunshine of a Northern summer have been superbly rendered in this fairy tale setting which exudes a quiet alacrity.

Fondness for animals led to bouts of eccentricity. At Dunham Massey in Cheshire, cherished dogs would be portrayed by famous masters and buried under ornate tombstones of which the earliest surviving example is dated 1702. A Dutch mastiff is seen seated on its hind legs on top of a low hill with the great house precisely rendered in the distance. There is some doubt as to whether it was Jan Wyck or Leendert Knyff who painted it. Perhaps the artist saw no point in signing a dog's portrait.

Sir Harry Harpur carried his passion for racehorses a step further. In 1774, the country squire had the highly fashionable Sawrey Gilpin paint four of his horses and hung their "portraits" in the library at Calke in Derbyshire. One of the pictures, on loan from Calke Abbey, shows Sir Harry leaning over his stick as he inspects the animal grazing in the cool green haze, while a stable boy half asleep stands rigid with boredom.

IN the eyes of Sir Harry and his contemporaries, though, the Yorkes, father and son, must have passed as infinitely more eccentric — they had their servants portrayed. At the bottom of each portrait, a doggerel of their composition would be painstakingly calligraphed as a caption. In one of the pictures, done in the 1830s, a man stands resting an axe on his shoulder as he steadies a sword with the other hand. He turns to look at the viewer with his rugged face which expresses great dignity. The doggerel tells the story of Edward Barnes, a soldier in the Denbighshire Militia, who became a lodge keeper on the estate at Erdigg in Wales, and then a woodman.

Britain was entering the age of Dickens. In 1832, Henry Hawkins was commissioned by its immensely wealthy owner to paint the Penhryn slate quarry. Two mountain sides are chopped up vertically, one already plunged in darkness and the other still lit up. Hundreds of tiny figures crawl all over the place, climbing up or down ropes, toiling on narrow ledges, as in some Dantesque vision of the industrial hell. Prince Hermann von Pückler-Muskau, reports that an average 150 men were wounded every year, with 7 or 8 dying of their injuries.

THE beautiful English countryside was being devastated. "The Excavation of the Manchester Ship Canal," painted in 1891 by Benjamin Williams Leader shows what had recently been a renowned beauty spot dubbed "Richmond on the Mersey." On the edge of a sweeping bay, a huge trench, half flooded, cuts through the scenery, stripped of trees, with engines churning up the earth.

At intervals, pictures of breathtaking beauty, hardly ever seen outside their distant homes scattered across Britain, add their own attraction to this portrait of a nation through the ages.

Few will be familiar with the portrait of Catrina Hooghsaet painted by Rembrandt in 1657 on loan from Penrhyn Castle at Gwinedd.

Mirth radiates from the tired face of an elderly woman as if she had been touched by some inner illumination.

One of the greatest landscapes by Aelbert Cuyp — or perhaps two welded into one — is on loan from Ascot in Buckinghamshire.

What is now known as the "View of Dordrecht" first appeared as two views at the sale of a British MP at Christie's on April 23, 1774.

A scientific examination at the National Gallery in 1993 revealed that the separate landscapes were originally painted on a single canvas so neatly spliced that no loss of paint was incurred. The possibility that the painter himself might have chosen this way of painting matching views does not seem to have been considered.

Each half has its own mood and is beautifully composed with its own focal point at the crossing of the diagonals as tradition demanded.

Perhaps, they were wrong to join them up again after all.

Add a great Turner, one of the most accomplished landscapes by Bellotto, a glorious Titian, a Murillo, a Guercino, and quite a few more. The social tales of a show whose point is not primarily art are thus peppered with some quasi-unknown gems. The catalogue, beautifully written, is an important complement in which the history of the paintings is as enlightening as that of the characters. Alastair Laing has pulled off a difficult feat, writing a real book that remains exemplary in its scholarly approach. This remarkable but understated show in the best English taste was none too well received by the London media. Not jazzy enough, perhaps?

The Year of Tiepolo: Celebrating the Tricentennial of His Birth

By Roderick Conway Morris
International Herald Tribune

VENICE — The German herald of neoclassicism, Johann Joachim Winckelmann, sought to dismiss Giovanni Battista Tiepolo with the remark that the Venetian could paint more in a day than the critic's protégé Mengs painted in a week — damning evidence in Winckelmann's eyes of Tiepolo's facile superficiality.

Within seven years Tiepolo was dead, and with the triumph of neoclassicism, and later developments that emphasized realism and "truth to nature" in art, the Venetian's reputation slid into an obscurity, only occasionally ruffled by outright denigration, for the best part of 200 years.

But while now Mengs is virtually forgotten, Tiepolo's fame has blossomed once again and the tricentennial of his birth, in 1696, is to be marked by special exhibitions and events both in his native city and in the other places where he worked.

Except on the rare days when the mountains on the mainland are clearly visible, Venice's landscape is one of water and sky, and in Tiepolo the city produced not only its last great Renaissance artist (however paradoxical this may sound of one who died in 1770), but also the painter who finally made of the Venetian sky a limitless theater, where it was the most natural thing in the world to encounter an airborne Virgin Mary with entourage of saints, martyrs, squadrons of angels and tumbling putti, to see a low-flying chariot, its snorting steeds pawing the ether, passing overhead, or find yourself gazing up at a cloud-based Olympian convention of gods, goddesses, mythical heroes and allegorical nudes.

But it is equally characteristic of Tiepolo's genius, whose mastery of figure painting and composition in vertiginous trompe l'oeil settings is unparalleled, that he knew where to leave space. Despite the realists' accusations of artificiality, he was a profound observer of qualities and variations of light, and it is perhaps the subtly hued, open vistas of empty sky that ultimately lend his most fully realized works their transcendent beauty.

Curiously enough, Winckelmann's hostile accusation actually throws into relief how Tiepolo could carry off the enormous challenges he set himself. He was a prodigy who had established a style inimitably his own by his early 20s. He was an instant success in Venice, never lacked commissions for the next 50 years and died at the height of his powers. He seldom seems to have spent a waking hour without a brush, pen or pencil in his hand.

And as Winckelmann complained, he was indeed fast. He had to be, in rapidly applying paint to wet plaster, to achieve such a level of spontaneity and panache over the acres of ceilings and walls that he tackled.

Tiepolo was also very much a Renaissance artist in the blending of arts and crafts in his working methods. Until his own children could join him, he certainly employed studio helpers, who were largely superseded by his sons, Giandomenico and Lorenzo.

The conventional, and misleading, view that La Serenissima was in irreversible decline throughout the 18th century, is belied not only by the fact that Venice was still capable of giving rise to an artist of Tiepolo's originality, but also that many significant monumental buildings continued to rise up during this period, giving Tiepolo many opportunities to decorate new spaces. The esteem in which he was held in aristocratic circles guaranteed commissions to fresco palaces and country villas. The popularity he enjoyed with Venetians of every class is witnessed by equally elaborate works for confraternity meeting halls, such as the Scuola Grande dei Carmini, Massari's Gesuati Church and the Pietà Foundlings' Hospital.

A useful map and guide, "Tiepolo 1696-1996," produced by Venice's municipality, lists 20 churches, schools, palaces and galleries where the artist and his sons' works can be seen.

The richest concentration of the artist's works on the Venetian "terraferma" is in and around Vicenza. Not to be missed are the captivating frescoes at Villa Valmarana ai Nani inspired by classical and Renaissance epic and chivalric literature, Giandomenico's charming rustic and oriental vignettes in the villa's "Foresteria," and the historical scenes at Villa Cordellina Lombardi at Montecchio Maggiore.

Tiepolo's first important commissions outside Venice were for frescoes at the Duomo and Archbishop's Palace at Udine in Friuli. These have just been restored, and the city will be holding two shows, one devoted to Tiepolo and the other to Giandomenico, both September through December.

The artist's most fruitful foreign excursion was to Würzburg to decorate the Kaisersaal and staircase of the Prince-Bishop's Residenz.

Considering the size of the principality, Tiepolo's spectacular scenes of the Four Continents of the Earth paying homage to this fairly minor churchman, whom he placed for good measure at the heart of some of the great events of German history, might seem a trifle excessive. But the sheer imaginative exuberance and dazzling execution of these, some of the largest frescoes ever undertaken, and the perfection of their rococo settings designed by Balthasar Neumann, make them the pinnacle of Tiepolo's grand manner.

The Franconian town will be celebrating its possession of these masterpieces with "Heaven on Earth," a show of 40 paintings and more than 100 drawings from Feb. 15 to May 19.

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BOOKS

THE SECRETS OF MARIKO: A Year in the Life of a Japanese Woman and Her Family.
By Elisabeth Bumiller. 338 pages. $25. Times Books.

Reviewed by
Theodore C. Bestor

JAPANESE women frequently appear to Westerners in only a few stereotypical guises: the sensuous geisha; the oppressed domestic drudge; the relentlessly efficient housewife preparing her children for educational battlefields.

Meet Mariko, and see a three-dimensional life. Elisabeth Bumiller, an American journalist who lived in Tokyo from 1989 to 1992, has drawn an engaging portrait of a real Japanese woman leading a real life that lurches between quiet desperation, occasional abandon and calm endurance.

Mariko Tanaka is a 44-year-old housewife who lives in a vaguely affluent suburb in southwestern Tokyo with her semidetached husband, three children, her father and her bedridden mother. The Tanaka family owns a house worth a million dollars in the mirage of Tokyo's real-estate market, but it scrapes by on an income of about $60,000 a year, mostly from the husband's salary as an engineer who supervises the installation of air-conditioning systems.

Mariko's husband copes with life by getting dead drunk. Mariko copes by carving out a life for herself within an almost unassailable framework of marriage and family responsibility.

Her part-time jobs as a meter reader and as a clerk at a travel agency supplement the household income and underwrite some flourishes of independence: expensive samisen lessons, outings with a group of arts-festival aficionados, occasional drinks and karaoke with her friends.

She fights with her mother and her 15-year-old daughter, pushes her 16-year-old son to study hard for entrance exams to a prestigious university, and figures that by the time her 9-year-old son is ready for college she will be too exhausted to remount the effort.

Mariko is a modern Japanese Everywoman. Bumiller, a reporter for The New York Times, interviewed her through an interpreter and joined in her family's activities from time to time over the course of a year. Mariko, her family and their lives are utterly prosaic, but therein lies the fascination of this book.

A vignette of Mariko participating in a famous festival leads to discussions of what independence means for an ordinary woman who rejects Western ideas about feminism; a day on the job with Mariko's husband impels Bumiller to examine alcoholism in contemporary Japan; Mariko's taste in television shows sends Bumiller off to interview producers and celebrities about the appeal of popular culture.

This technique is most effective when Bumiller keeps Mariko and her family firmly in her sights. Where the link to Mariko is less obvious, the technique is less successful, as when her involvement in a seedy festival gives Bumiller an excuse to interview a yakuza gang leader, or when discussion of the education system lapses into a summary of expert opinions.

A day spent with Mariko on her rounds as a meter reader reminds Bumiller "how little time ordinary Japanese spend worrying about the portentous big picture and how much time they spend, like anyone else, simply getting to the market or taking the dog to the vet."

When Bumiller herself goes to the big picture, the book sometimes falters. After announcing the central importance of the family throughout Japanese history, she races through a three-page capsule history of Japan.

On minor historical details Bumiller occasionally stumbles. Mariko's father is part of a battle in New Guinea that begins in April 1944; two pages later he is captured in May 1943. Japan surrenders on Aug. 15, 1945, and Gen. MacArthur arrives in Tokyo six days later; he actually arrived in Japan on Aug. 30.

But Bumiller is to be congratulated for pushing past so many of the journalistic cliches about Japan and ultimately letting Mariko speak for herself.

Theodore C. Bestor, an associate professor of anthropology and acting director of the East Asia program at Cornell University, wrote this for The New York Times.

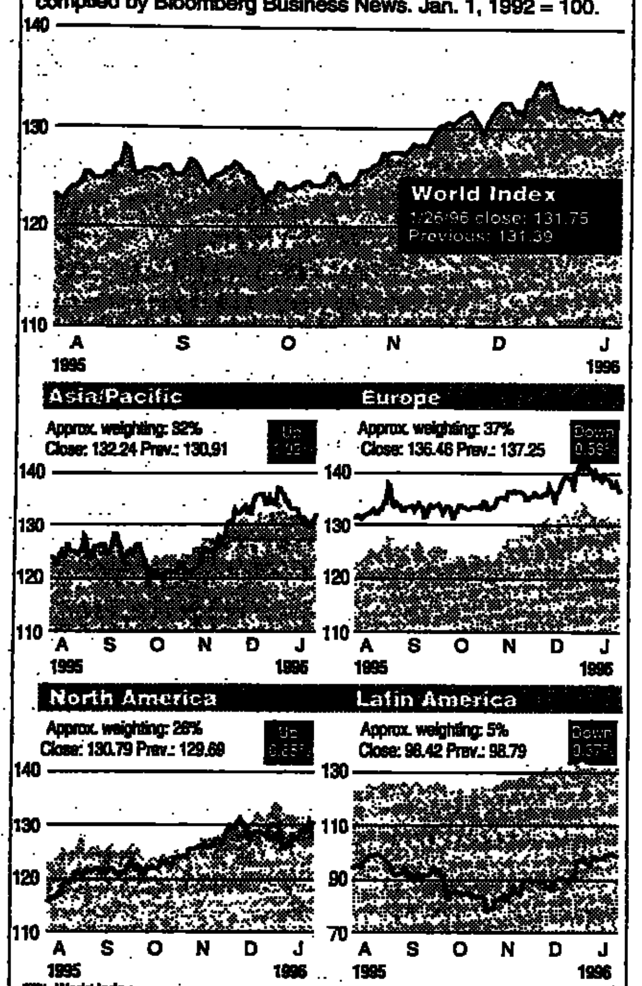
Herald INTERNATIONAL Tribune

BUSINESS / FINANCE

SATURDAY-SUNDAY, JANUARY 27-28, 1996

THE TRIB INDEX: 131.75

International Herald Tribune World Stock Index ©, composed of 280 internationally investable stocks from 25 countries, compiled by Bloomberg Business News. Jan. 1, 1992 = 100.



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Industrial Sectors

	Fri. close	Prev. close	% change		Fri. close	Prev. close	% change
Energy	133.77	132.74	+0.78	Capital Goods	136.19	135.54	+0.48
Utilities	127.78	128.82	–0.81	Raw Materials	143.42	143.36	+0.04
Finance	124.40	123.38	+0.83	Consumer Goods	138.07	138.12	–0.04
Services	121.72	121.88	–0.13	Miscellaneous	139.82	140.49	–0.48

For more information about the Index, a booklet is available free of charge. Write to Trib Index, 181 Avenue Charles de Gaulle, 92521 Neuilly Cedex, France.

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Maastricht Criteria on Ropes

Calls to Ease EMU Limits Grow in Volume

By Tom Buerkle
International Herald Tribune

BRUSSELS — Europe's plan for monetary union has taken so many hits from so many sides that the only common currency on the Continent these days is the belief that governments will have to bend the rules or the timetable to achieve a single currency.

The real question is how long France and Germany, which must form the core of any single currency, can resist the pressure to acknowledge as much.

If Europe's economic slowdown turns into a full-blown recession, Paris and Bonn are likely to bow to reality and make fundamental changes in the Maastricht treaty criteria in coming months, senior European officials and analysts say. If growth recovers, European governments may be able to maintain the facade until early 1998 before deciding whether to delay the date or fudge the rules.

But whatever happens, the cacophony of voices in the past week has made clear that no detail of the Maastricht blueprint is sacred as European leaders scramble for ways to keep alive the ultimate goal of monetary union.

"The whole debate is about salvaging this project, in which the political class in Europe has invested so much," said Christopher Potts, an economist at the Paris brokerage Chevreux de Virieux. If Europe is to achieve a single currency, he added, "it isn't going to happen as scheduled."

The already-fading prospect that European Union governments will be able to meet the single-currency criteria suffered a fresh

NEWS ANALYSIS

blow Friday when the German government forecast that the economic downturn would force it in 1996 to exceed the Maastricht deficit ceiling. It already exceeded the limit in 1995.

Meanwhile, Philippe Seguin, the speaker of the National Assembly in France, underscored the mounting political opposition to the single-currency plan, which many Europeans blame for their stagnant incomes and rising unemployment.

"Is it not time to put everything back on the table?" Mr. Seguin told a conference of French and German parliamentarians in Aachen, Germany. "Neither the eventual delay of the date for introducing a single currency nor an eventual revision of the criteria would have the disastrous effect that everyone fears today."

While many senior EU officials would agree in private, Paris and Bonn refuse to endorse Mr. Seguin's views in public. They fear that any postponement would simply encourage governments to slacken their budget and labor-market reforms and incite markets to attack weaker EU currencies.

"The markets would mercifully punish" any move to delay or abandon monetary union, Hans-Jürgen Koebnick, president of the Bundesbank regional bank in Mainz, told the Aachen conference. He echoed the warning of Foreign Minister Klaus Kinkel of Germany the day before, who said any move to drop the 1999 deadline would drive up the Deutsche mark and render German exports and jobs uncompetitive.

"For Germany, it's unacceptable to have an even stronger currency," said Holger Fahrinkrug of Union Bank of Switzerland in Frankfurt.

Dutch Government Injects $220 Million Of Aid Into Fokker

By Richard W. Stevenson
New York Times Service

LONDON — The Dutch government said Friday that it would grant an emergency bailout package worth $220 million to Fokker NV, but acknowledged that the money would keep the aircraft maker from collapse for no more than six weeks.

In an attempt to preserve thousands of jobs, a big portion of the country's technology and manufacturing base and its heritage in aircraft, the government said it had agreed to give Fokker 255 million guilders ($153 million) and to advance the company another 110 million guilders for the planned purchase of four Fokker jets.

The short-term bailout came four days after Daimler Benz AG, the German company that owns a controlling stake in Fokker, said it would provide no more money to cover the Dutch aerospace manufacturer's losses.

Fokker won four weeks of protection from its creditors late Tuesday, and the government's financing package will enable it to keep operating for five to six weeks while it tries to find a buyer for all or parts of the company, Hans Wijers, the Dutch economic affairs minister, said in The Hague.

But Mr. Wijers emphasized that Fokker's chances of finding any buyers remained slim given the overcapacity and intense competition in the worldwide aerospace industry and that the 76-year-old company's future remained in jeopardy.

"Partners still have to be found in a very short period of time in an industry with its large financial risks, continuing overcapacity and ruinous prices," Mr. Wijers said. "There is no reason whatsoever for great optimism."

Speculation about a purchaser has centered on Bombardier Inc. of Canada. But Bombardier has given no indication that it is interested.

Without the government financing, Fokker would probably have found it impossible to continue operations because suppliers would have been unwilling to provide necessary parts and services on credit.

Mr. Wijers said Daimler would continue to deliver fuselages to Fokker as a subcontractor.

On Friday, Fokker's chairman, Ben van Schaik, said the government financing would provide "a breathing space to allow Fokker to continue the difficult search for the possibility of surviving as a complete company."

Airbus and Boeing Drop Big-Jet Study

AFX News

LONDON — Airbus Industrie and Boeing Co. have broken off their feasibility study into the joint development of a superjumbo jet, an Airbus spokesman said Friday.

Doubts as to whether the market could support the Very Large Commercial Transport, whose development costs have been estimated at $15 billion, plagued the project over its two years of life.

But both planemakers continued work on their own version of such an airliner during the study.

The European consortium has been developing its A3XX, the Airbus spokesman said. According to current designs, the double-decker jet would accommodate about 550 passengers in three classes.

Boeing's latest 747-400s usually can hold just over 400 passengers.

Airbus expects the A3XX's main market to be in the Far East, the spokesman said, adding that 12 major airlines, especially British Airways PLC, had shown interest in the craft.

"They would like to have the new plane now," he said of BA, but Airbus does not expect the airliner to enter service before 2003.

Boeing is developing a superjumbo jet that would hold about 600 passengers.

Investor Jitters Fuel Gold Rally

Compiled by Our Staff From Dispatches

NEW YORK — Gold roared to a five-year peak Friday, reaching its highest level since the 1990 Gulf War on investor concern about the long-term value of U.S. assets.

The failure of U.S. politicians to agree on how to balance the federal budget propped up gold, on the premise that more government shutdowns and the ensuing upheaval could hurt stock and bond markets.

U.S. bonds have fallen for two days, completing the biggest one-week decline in six months, and the dollar fell Friday on investor concern that European monetary union may be delayed.

"The combination of a weaker dollar and a sinking bond market pushed gold higher, but signs of a recovery in bonds pulled gold back down," said Scott Meyers, a senior commodity analyst with Redel Trading Inc. in New York.

February gold rallied to $409.50 an ounce on the New York Mercantile Exchange's Comex division before paring its gains and dropping to $405.80 an ounce, down 90 cents for the day.

The intraday high was the highest price for gold since Aug. 24, 1990.

The London fixing price, set twice a day by major bullion traders, was at $407.40 per troy ounce, its highest level since September 1990.

London spot gold was down 40 cents at $406.45 an ounce.

Falling mine output, a marked absence of forward-selling by gold producers, and the expectation that equity markets cannot rise forever have all combined to sustain the gold rally this month, traders said.

Gold demand reached record levels last year, largely on rising jewelry sales in India, the world's biggest consumer of the metal.

At the same time, world mine output fell 1 percent in 1995, to 2,268 tons, its second yearly decline, mostly because of a 10.5 percent decline in South Africa, which mined 522.3 tons, its lowest production in 40 years.

(Bloomberg, Reuters)

ECONOMIC SCENE

Singapore's Competitive Neighbor

By Michael Richardson
International Herald Tribune

SINGAPORE — When a group of Singaporeans bought burial lots costing up to 250,000 ringgit ($97,790) in a new cemetery just across the border in Malaysia recently, Malaysian officials stepped in to halt the move.

Abdul Ghani Othman, chief minister of the southern Malaysian state of Johore that is linked to the main island of Singapore by a road and rail causeway, said that by law burial land could not be sold to foreigners either as a final resting place or as a speculative asset.

The clampdown was the most recent sign of increasing business friction and economic rivalry between the two neighboring countries, despite cooperative ties in many areas and friendly relations between their governments.

After years of being in its neighbor's shadow, Malaysia has signaled that it is determined to cut its dependence on Singapore as a regional shipping, financial and aviation center, and compete for business in these and other areas, such as communications and the media, with the island-state.

Many Malaysians cross the causeway each day to work at better-paid jobs than they can find at home. Although its economy has been expanding quickly, Malaysia's per-capita income is only about $4,000, about one-sixth of Singapore's $24,000.

Singaporeans, using their strong currency, increasingly take vacations and weekend breaks in Malaysia, investing in holiday homes, golf course memberships and other property assets there — including the new Perpetual Memorial Park cemetery.

Land is in such short supply and so expensive in Singapore that most people have to settle for cremation, not burial, despite a traditional preference for the latter.

To curb speculation and rising property prices blamed partly on Singaporean investors, Malaysia imposed in October a 100,000 ringgit government levy on foreign purchases of Malaysian real estate. It also increased the capital-gains tax on property and said foreigners would be restricted to purchasing homes costing a minimum of 250,000 ringgit.

Malaysia "poses a real challenge" to Singapore, said Song Seng Wun, regional economist for HG Asia Securities, because the Malaysian authorities had "realized that the trick to catching up is developing infrastructure."

Malaysia now has a modern national highway network and telecommunications. Its seaports, railways and power supplies are being upgraded.

A new international airport near Kuala Lumpur, due to open in 1998, is designed to match or surpass Singapore's airport.

Prime Minister Mahathir bin Mohamad of Malaysia blames British colonial rule for concentrating development in Singapore and giving it a head start as a commercial center. Singapore was once part of the Malaysian federation, but was forced to leave in 1965 to become a sovereign state because Kuala Lumpur feared the island-state would become politically dominant.

Noting that about one third of Malaysia's trade still passes through Singapore, Mr. Mahathir said earlier this month that Malaysians must make full use of Port Klang, the country's chief port near Kuala Lumpur.

He said that the government would do "some mild arm twisting" to make sure that exporters and importers sent and received their goods through Port Klang, which has a large and modern container terminal.

Ling Liong Sik, the Malaysian transport minister, said the government was seriously considering doubling the handling charges at Port Klang for containers destined for ports in neighboring countries that would be later transhipped to other foreign countries.

The government had earlier introduced a levy of 100 ringgit on cargo vehicles entering Malaysia from Singapore, and doubled the levy to 200 ringgit on those leaving Malaysia.

Such levies "may force many manufacturers in Malaysia who currently export to the world through Singapore to reroute to Malaysian ports," said Graham Hayward, executive director of the Singapore International Chamber of Commerce.

See RIVALS, Page 13

Bullish Boomers Swell Stock Funds

By Floyd Norris
New York Times Service

NEW YORK — Lured by an unprecedented bull market, and with aging baby boomers growing more concerned about retirement, stock mutual funds are taking in more money than ever before.

That money, in turn, is driving up stock prices, helping to bring in more money for the funds.

"January is the best month we ever had," Joseph Palombo, a managing director of Putnam Investments, said. He said flows of cash into stock funds were running 32 percent higher than in December, which had been the best month ever for his company's mutual funds.

For all of 1995, figures released Thursday show that investors put almost $118 billion into funds that invest primarily in U.S. stocks, 31 percent more than the old record, which was set in 1993.

It is also more money than all stock funds had in them a decade ago. Now funds invested in U.S. stocks have $1.07 trillion in assets.

In the process, stocks and mutual funds have replaced real estate and bank deposits as the largest segments of net worth in U.S. households. Not since the late 1960s have Americans been so heavily dependent on the stock market.

That rush to stocks, largely through mutual funds, has aroused hand-wringing by some market analysts, who fear that when the stock market ultimately turns down it will set off a panicky exit by inexperienced investors.

But so far, it has been the public that has rushed in when the market has run into temporary setbacks.

Mutual fund companies said that the sharp fall in stocks earlier this month, when the Dow Jones industrial average tumbled 163 points in two days, brought in few phone calls from shareholders and even less selling.

"Investors just took it in stride," said Steve Norwitz, a spokesman for the T. Rowe Price group of funds. "It looks like it will take more than a couple of bad days to rattle mutual fund investors."

That should come as no surprise. The run of the stock market since 1988, as it recovered from the 1987 crash and then moved on to new heights, has no parallels in market history.

The Dow has hit record highs in every year since 1989, a run of eight consecutive years including this one, with the latest high reached on Wednesday.

The longest previous stretch was six years, a string that ended with the 1929 crash.

Moreover, the leading stock market averages have hardly gone down at all during the period, and there has not been a sustained fall since 1990, when Iraq's surprise invasion of Kuwait came just as the U.S. economy was heading into a recession.

Japan's Consumer Prices Ease in 1995

Compiled by Our Staff From Dispatches

TOKYO — Japan's consumer prices in 1995 declined for the first time in at least 25 years, driven down by cheaper imports and sluggish consumer demand, the government said Friday.

Lower prices for fresh foods, rice, consumer electronics and clothing pushed the annual consumer price index down 0.1 percent from 1994, the Management and Coordination Agency said. That was the first time the annual consumer price index declined since the agency began using current calculation methods in 1970.

Prices should rise slightly this year because of the yen's depreciation and the emerging economic recovery, government officials and many private economists say. A fall in the yen against the dollar will make imports more expensive.

"I think we'll definitely see modest growth in prices," said Tod Wood, an economist at ING Baring Securities. "At the same time, it's a mistake to think that retailers are about to face a less price-competitive environment."

Meanwhile, the Bank of Japan said the country's economy is gradually moving toward recovery after a 4½ year slump.

In its quarterly survey of the economy, the central bank said public works spending and housing investment were increasing. Factory investment and consumer spending are rebounding moderately, according to the report.

"Plant investment is picking up, but this is happening mainly at large companies in particular industries," said Kunihiko Takeshima, director of the Research and Statistics Department. "We're watching carefully whether plant investment is steadily increasing."

Mr. Takeshima also said the economic recovery was being led by the government, not by private industries.

"We are not sure if private companies can maintain the pace of recovery by themselves," Mr. Takeshima said.

The Bank of Japan said price declines were slowing down.

Falling prices have cut into revenues at Japanese retailers such as supermarket Daiei Inc. and department store Mitsukoshi Ltd., forcing them to cut costs.

But lately, consumers have been moving back toward higher-quality, costlier products instead of focusing only on price, said Norikazu Yasuhara, an official of the Economic Planning Agency, which also monitors price trends.

The government expects CPI to rise 0.5 percent this year. *(Bloomberg, AP)*

CURRENCY & INTEREST RATES

Cross Rates

Jan. 26

	$	£	D.M.	F.F.	Lira	D.Fl.	B.F.	S.F.	Yen	C$	Peseta
Amsterdam	1.672	2.508	1.12	0.3284	0.1041*	—	5.4475*	1.3863	1.5664*	1.21	1.327*
Brussels	30.8125	46.365	20.56	5.9935	1.9059*	18.36	—	25.54	0.2865	22.19	24.315*
Frankfurt	1.4975	2.2489	—	0.2909	0.9271*	0.8929	4.8642*	1.2385	1.3968*	1.079	1.1793*
London (a)	1.5807	—	2.2403	7.6845	2,406.185	2.509	46.059	1.813	168.205	2.0733	189.755
Madrid	126.808	186.894	84.357	24.664	7.851*	75.671	4.1226	104.937	118.406*	91.376	—
Milan	1,604.00	2,417.20	1,079.15	313.54	—	965.50	52.465	1,306.65	15.037	1,165.15	12.729
New York (b)	—	1.5835a	1.4915	5.1345	1,599.00	1.6704	30.66	1.2107	106.63	1.382	126.33
Paris	5.109	7.6995	3.4365	—	0.3183*	3.0681	0.1672	4.2547	4.8001*	3.7049	4.0495*
Tokyo	107.15	161.29	71.74	20.95	6.665	64.86	3.4925	89.43	—	77.36	0.8459
Toronto	1.382	2.2785	0.9266	0.2691	0.0865*	0.8273	0.4598*	1.1416	1.2964*	—	1.094*
Zurich	1.225	1.909	0.8079	0.2352	0.075*	0.7213	3.9317*	—	1.1303*	0.8722	0.9528*
1 ECU	1.2589	[illegible]	1.8845	6.4029	2,036.67	2.113	38.7846	1.5237	135.859	1.7408	160.10
1 SDR	1.4557	0.9637	2.1637	N.Q.	2,316.44	2.4237	44.4207	1.7371	154.668	2.0052	182.254

*Closings in Amsterdam, London, Milan, New York, Paris, Toronto and Zurich. a: To buy one pound; b: To buy one dollar; *Units of 100; N.Q.: not quoted; N.A.: not available.*

Eurocurrency Deposits

Jan. 26

	Dollar	D-Mark	Swiss Franc	Sterling	French Franc	Yen	ECU
1 mo.	5 3/8 - 5 1/2	3 1/2 - 3 5/8	1 11/16 - 1 13/16	6 5/16 - 6 7/16	4 1/2 - 4 3/4	5/16 - 7/16	4 3/4 - 4 7/8
3 mo.	5 5/16 - 5 7/16	3 3/8 - 3 1/2	1 11/16 - 1 13/16	6 1/4 - 6 3/8	4 9/16 - 4 11/16	7/16 - 9/16	4 5/8 - 4 3/4
6 mo.	5 3/16 - 5 5/16	3 5/16 - 3 7/16	1 11/16 - 1 13/16	6 3/16 - 6 5/16	4 9/16 - 4 11/16	1/2 - 5/8	4 5/8 - 4 3/4
1 yr	5 - 5 1/8	3 5/16 - 3 7/16	1 11/16 - 1 13/16	6 - 6 1/8	4 9/16 - 4 11/16	5/8 - 3/4	4 9/16 - 4 11/16

Sources: Reuters, Lloyds Bank. Rates applicable to interbank deposits of $1 million minimum (or equivalent).

Key Money Rates

United States	Close	Prev
Discount rate	5 1/4	5 1/4
Prime rate	8 1/2	8 1/2
Federal funds	5 3/8	5 3/8
3-month CDs	4.99	4.97
Comm. paper 180 days	6.11	6.11
3 month Treasury bill	4.97	4.98
1-year Treasury bill	4.77	4.79
2-year Treasury note	5.04	5.11
5-year Treasury note	5.33	5.40
7-year Treasury note	5.46	5.52
10-year Treasury note	5.63	5.69
30-year Treasury bond	6.04	6.11
Merrill Lynch 30-day RA	5.14	5.16
Japan		
Discount rate	0.50	0.50
Call money	0.42	0.42
1-month interbank	0.44	0.44
3-month interbank	0.53	0.53
6-month interbank	0.53	0.53
10-year Gov't bond	2.86	2.85
Germany		
Lombard rate	5.00	5.00
Call money	3.45	3.50
1-month interbank	3.53	3.53
3-month interbank	3.45	3.45
6-month interbank	3.32	3.32
10-year Bond	5.60	5.82
Britain		
Bank base rate	6 1/4	6 1/4
Call money	6 5/16	6 1/4
1-month interbank	6 5/16	6 5/16
3-month interbank	6 1/4	6 1/4
6-month interbank	6 1/8	6 1/8
10-year Gilt	7.44	7.38
France		
Intervention rate	4.20	4.20
Call money	4 3/8	4 5/16
1-month interbank	4 7/16	4 7/16
3-month interbank	4 1/2	4 1/2
6-month interbank	4 9/16	4 1/2
10-year OAT	6.40	6.34

Sources: Reuters, Bloomberg, Merrill Lynch, Bank of Tokyo, Commerzbank, Credit Lyonnais.

Gold

	A.M.	P.M.	Ch'ge
Zurich	407.85	405.75	— 2.50
London	407.40	406.50	— 0.10
New York	406.80	405.80	— 0.90

U.S. dollars per ounce. London official fixings; Zurich and New York opening and closing prices; New York Comex (Feb.)

Source: Reuters.

Other Dollar Values

Currency	Per $	Currency	Per $	Currency	Per $	Currency	Per $
Argent. peso	0.9993	Greek drac.	246.44	Mex. peso	7.3700	S. Afr. rand	3.6547
Australian $	1.3543	Hong Kong $	7.7315	N. Zealand $	1.5038	S. Kor. won	780.50
Austrian sch.	10.453	Hung. forint	144.16	Norw. krone	6.5083	Swed. krona	6.9545
Brazil real	0.9720	Indian rupee	35.880	Phil. peso	26.17	Taiwan $	27.45
Chinese yuan	8.2928	Indo. rupiah	2290.00	Polish zloty	2.54	Thai baht	25.33
Czech koruna	27.22	Irish £	0.6407	Port. escudo	154.81	Turkish lira	61763.00
Danish krone	5.7560	Israeli shek.	3.1310	Russ ruble	4724.00	UAE dirham	3.6718
Egypt. pound	3.3935	Kuw dinar	0.2998	Saudi riyal	3.7500	Venez. boliv.	362.0000
Fin. markka	4.5845	Malay. ring.	2.5528	Sing. $	1.4160		

Forward Rates

Currency	30-day	60-day	90-day	Currency	30-day	60-day	90-day
Pound Sterling	1.5250	1.5040	1.5031	Japanese yen	105.90	105.48	105.02
Canadian dollar	1.3782	1.3782	1.3782	Swiss franc	1.1997	1.1962	1.1924
Deutsche mark	1.4836	1.4813	1.4786				

Sources: ING Bank (Amsterdam); Indosuez Bank (Brussels); Banca Commerciale Italiana (Milan); Agence France-Presse (Paris); Bank of Tokyo (Tokyo); Royal Bank of Canada (Toronto); IMF (SDR). Other data from Reuters and AP.

Maxwell Case: Chapter 2

The Associated Press

LONDON — Prosecutors who lost a high-profile fraud case against two sons of late publishing magnate Robert Maxwell said Friday they would bring a new case against one of the brothers and three former associates.

Kevin Maxwell, and the Maxwell business associates Larry Trachtenberg and Albert Fuller are charged with conspiring to defraud banks by improperly putting up stock in Berlitz International Inc., a language-school company owned by Robert Maxwell, as collateral for loans.

The Serious Fraud Office also said it would prosecute Michael Stoney, another former Maxwell executive, on two counts of false accounting.

Ian Maxwell, whom prosecutors have acknowledged was less involved in the Maxwell publishing empire than the others, will not be charged.

Kevin Maxwell told reporters outside the court that he was disappointed by the new charges, but was happy to see his brother cleared.

"I believe that I am the victim of a political decision taken by politicians in the run-up to a general election," Kevin Maxwell said, noting that his acquittal last week on different fraud charges came after he testified for 21 days.

"That jury was in no doubt about my honesty," he said.

The Maxwell brothers and Mr. Trachtenberg were acquitted after a seven-and-a-half month trial.

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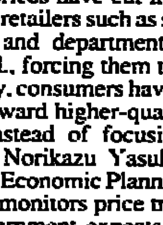

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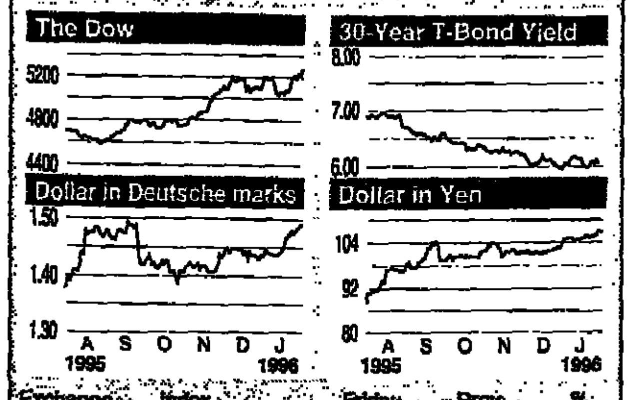

Exchange	Index	Friday Close	Prev. Close	% Change
NYSE	The Dow	5271.75	5216.83	+1.05
NYSE	S&P 500	621.92	617.03	+0.79
NYSE	S&P 100	595.89	590.51	+0.86
NYSE	Composite	332.84	330.55	+0.69
U.S.	Nasdaq Composite	1040.96	1036.12	+0.47
AMEX	Market Value	545.24	541.63	+0.67
Toronto	TSE Index	4901.20	4870.48	+0.63
São Paulo	Bovespa	49077.09	49452.45	-0.76
Mexico City	Bolsa	3079.08	3053.18	+0.85
Buenos Aires	Merval	554.55	549.43	+0.93
Santiago	IPSA General	5654.86	5714.92	-1.05
Caracas	Capital General	2042.12	2024.55	+0.87

Source: Bloomberg, Reuters — International Herald Tribune

Super Bowl, and Super Cost

By Stuart Elliott
New York Times Service

NEW YORK — The Dallas Cowboys have played in the Super Bowl before. So have the Pittsburgh Steelers.

But when they meet Sunday in Super Bowl XXX, it will be Super Bowl I for more than a quarter of the advertisers buying commercials in the NBC broadcast of the game.

The Super Bowl rookies range from such marketing giants as General Mills Inc. and Mastercard International to smaller, less well-known companies like Kinko's Inc. and Mail Boxes Etc.

Even the halftime show sponsor, Oscar Mayer, is a Super Bowl newcomer.

Those advertisers will join Super Bowl mainstays that are making return appearances like the Cowboys and Steelers.

Among them are the Anheuser-Busch Cos., McDonald's Corp., Nike Inc. and the Frito-Lay and Pepsi-Cola units of Pepsico Inc.

Newcomer or veteran, the more than two dozen advertisers that will run spots nationwide during the game are spending an average of $1.2 million for the 30-second units of commercial time. There will be 58 commercials.

That's a record price for any television broadcast, easily surpassing one set last year when each 30-second Super Bowl commercial cost about $1 million.

Why would a marketer sign up for the Super Bowl just when the price reaches a historic high of $40,000 a second?

Executives acknowledge how expensive a Super Bowl spot is and admit some first-time advertisers in Super Bowl XXIX won't be back.

But they assert that there are compelling business reasons to advertise, from the game's status as an unofficial midwinter holiday to the demographic desirability of the large viewing audience.

"We knew right up front it was pricey," said Bob Starr, communications manager for Yamaha Motor Corp. USA, which will run a 30-second commercial by the Saatchi & Saatchi Pacific unit of Cordiant PLC in Torrance, California.

"But we also knew we had to make the investment," he added. That is because Yamaha was seeking "a very broad-reach, impactful" way to introduce the Royal Star, its entry into the so-called supercruiser segment of the motorcycle market, and "nothing is more broad reach and impactful."

Karen Sophiea, vice president for marketing at Kinko's, said it required a "deep swallow" to "step up to the Super Bowl."

Falling Bond Yields Lift Hopes for Stocks

Bloomberg Business News

NEW YORK — Stocks surged Friday as falling bond yields renewed optimism that U.S. corporate profits have room to expand.

The Dow Jones industrial average rose 54.92 to 5,271.75, an all-time high and its third record this week. The gain, which erased all of Thursday's 26.01-point drop, pushed the 30-stock average's advance during the last seven trading sessions to 4.04 percent, its best since August 1994.

Advancing stocks matched decliners on the New York Stock Exchange, where 386.5 million shares changed hands, about average for the past three months.

American Express paced the advance amid speculation it could be a takeover target. Its shares rose 2⅜ to 43⅛ and contributed almost seven points to the Dow industrials' advance.

The speculation came two days after Mattel Inc. offered to buy rival toymaker Hasbro Inc. for $5.2 billion. Mattel stock slipped ⅜ to 30⅝.

"We've seen the resurgence of some takeover activity," suggesting many stocks remain undervalued, said James Engle, chief investment officer at Wood Struthers & Winthrop. The activity gives "new life into the market," he said.

In the broad market, the Standard & Poor's 500 index rose 4.59 to 621.62, was fueled by gains in drug, oil, health-care and financial shares. The Nasdaq composite index rose 5.00 to 1040.96 as shares of Microsoft, Cisco Systems and Tele-Communications gained.

The yield on the benchmark 30-year Treasury bond was at 6.04 percent, down from 6.11 percent on Thursday. Higher bond yields hurt stocks by boosting the attraction of fixed-income investments and reducing the value of future corporate profits. The price, which moves inversely to the yield, rose to 111 12/32, up 1.

Also helping the outlook for stocks were expectations that the Federal Reserve Board will trim interest rates when it meets next week. A rate cut by the Fed would help economic growth pick up and lower companies' borrowing costs. The central bank last cut the Federal funds rate on Dec. 19, to 5.50 percent from 5.75 percent.

"I would be willing to bet that the Fed cuts again at the end of January, and again in March," said Patricia Chadwick, head of equity strategy at Chancellor Capital Management. U.S. stocks could gain another 8 percent to 10 percent "without getting any great strain in valuations," she said.

U.S. STOCKS

Among active Big Board stocks, General Motors jumped ⅜ to 51¼. Analysts expect the nation's No. 1 automaker to report fourth-quarter earnings of $1.35 a share on Tuesday. Chrysler, which reported sharply higher earnings last week, rose 1⅛ to 57⅜.

Drug stocks gained, led by Schering-Plough, which rose 1⅛ to 39⅞ on reports that fourth-quarter profit rose a larger-than-expected 13 percent. Eli Lilly rose ⅜ to 52⅞. Pharmacia & Upjohn climbed 1⅛ to 39⅞ and Merck jumped 1 to 67⅞.

Tobacco shares dropped amid concern that the companies have not disclosed all they know about the dangers of cigarettes, traders said. The Wall Street Journal published excerpts of a deposition of a former Brown & Williamson Tobacco Corp. official who said the company suppressed safety research and manipulated the level of nicotine in its cigarettes to keep smokers hooked.

Shares of Philip Morris dropped ⅛ to 92¾ and UST slid 1 to 33. But RJR Nabisco Holdings rose ⅜ to 34½.

Better-than-expected earnings posted by a dozen or more companies after markets closed Thursday helped drive the market higher.

Storage Technology advanced 2 to 27⅝. The maker of information retrieval devices for computers posted higher-than-expected fourth-quarter profits.

Alaska Air gained 1⅜ to 19⅛ on reports that fourth-quarter results, although a loss, were better than expected.

Data I/O stock rallied 1¼ to 7¼. The maker of semiconductor testing equipment said it expected fourth-quarter earnings to rise more than 25 percent, partly because of improved sales.

MCI and Murdoch Get Satellite Slot

By Edmund L. Andrews
New York Times Service

WASHINGTON — After a brief but spirited bidding war, MCI Communications and Rupert Murdoch's News Corp. have agreed to pay the federal government $682 million for the last unclaimed orbital slot for a satellite that can beam television direct to individual homes across the United States.

The two companies, which have formed a joint venture to build and operate the system, said Thursday they planned to invest $1 billion and begin offering both television and a range of business communications services within two years.

"We are talking about much, much more than higher quality television," said Bert Roberts, chairman of MCI, in a satellite-linked news conference with Mr. Murdoch.

But analysts remain skeptical. MCI and News Corp. paid more than twice what Tele-Communications Inc. bid before it dropped out of the Federal Communications Commission auction Wednesday, and the joint venture will be years behind several rivals.

[The president of Tele-Communications, John Malone, was reported to be in talks with Mr. Murdoch about joining the News Corp.-MCI venture, Bloomberg Business News reported, quoting two people familiar with the discussions.]

Worries Over EMU Bolster Dollar

Bloomberg Business News

NEW YORK — The dollar gained against several European currencies Friday amid continued market concerns that European monetary union might be delayed.

But despite a Bundesbank council member's efforts to talk up the dollar, it was little changed against the Deutsche mark.

Saying the mark is "somewhat overvalued," Wendelin Hartmann said, "We wouldn't mind if the dollar continues appreciating as it has done in the last few days."

But his comments ran up against further evidence that the German economy is slowing.

Bonn cut its 1996 economic growth forecast Friday to 1.5 percent from 2.0 percent. The revision spurred speculation that the Bundesbank might lower interest rates again soon to spur the economy.

FOREIGN EXCHANGE

The dollar finished at 1.4915 DM in New York, up slightly from 1.4890 DM on Thursday.

Interest rate cuts tend to lower a currency's value, while worries about the single-currency convergence tend to bolster the value of the mark, a safe-haven currency.

The dollar did gain appreciably against other European currencies, finishing at 5.1345 French francs, up from 5.1075 francs Thursday, and at 1.2107 Swiss francs, up from 1.1975 francs.

The pound fell to $1.5035 from $1.5085.

The dollar slipped to 106.63 yen from 106.85 yen.

Very briefly:

Unisys to Cut Another 7,900 Jobs

BLUE BELL, Pennsylvania (Bloomberg) — Unisys Corp. will fire 7,900 workers, about 21 percent of its work force, and take a $581.9 million charge as part of an ongoing restructuring effort, the company said Friday.

The computer maker also announced a larger-than-expected loss from continuing operations of $85.1 million and a loss of $9.8 million from discontinued operations.

The cuts announced Friday mark the third time in a year that Unisys has scaled back operations to try to boost profits. The company is trying to move from the dwindling market for mainframe computers and concentrate on more profitable businesses such as computer services.

- Mexico will repay on time Monday a $1.3 billion U.S. loan stemming from last year's bailout, Treasury Secretary Robert E. Rubin said. He said Washington had agreed to make several more billion dollars available through Aug. 21, but Treasury officials said Mexico was unlikely to borrow any more.
- Mattel Inc., in a $5.2 billion takeover battle for Hasbro Inc., said the two toy companies were close to an agreement.
- Hershey Foods Corp. posted a fivefold increase in fourth-quarter profits, to $105.8 million, on strong chocolate sales.
- LTV Corp.'s earnings fell 13 percent in the fourth quarter, to $34.8 million, on flat sales due to lower prices and shipments.
- Kellogg Co. posted a loss of $71.6 million in the fourth quarter as strong performances in breakfast cereals and convenience foods failed to offset a $369 million restructuring charge.

AP, Bloomberg, NYT, Reuters

WORLD STOCK MARKETS

Friday, Jan. 26
Prices in local currencies.
Telekurs

Amsterdam

	High	Low	Close	Prev.
ABN-AMRO	75.40	74.30	74.50	75.20
Aegon	73.60	72.30	72.50	73.30
Ahold	67.50	66.40	66.80	67.50
Akzo Nobel	180.40	178	179.50	179.20
Bols Wess cva	36	35.20	36	35.60
CSM cva	75.50	75	75.50	74.90
Dordtsche Pet	241.90	238.20	241.90	239.50
DSM	138.20	136.60	137.80	137.20
Elsevier	22.70	22.40	22.50	22.60
Fortis Amev	110.20	108.90	109.50	109.70
G-Broc cva	51.70	51	51.60	51.80
Hagemeyer	92.50	91.40	92	91.50
Heineken	306.50	303	303.50	306.30
Hoogovens	58.90	57.90	58.30	58.50
Hunt Douglas	81.80	80.40	81.80	81.20
ING cva	111.80	110.30	111	111.40
KLM	55.50	54.30	54.80	55.20
KNP BT	43.80	42.60	42.80	43.80
KPN	64.30	63.40	64	63.60
Nedlloyd Gp	32.20	30	30.30	29.90
Nutricia	146.80	145.50	146	146.30
Oce Grinten	114.50	114	114.50	114.20
Pakhoed	42.10	41.70	42	42
Philips Elec	66.70	65.10	66.10	66.40
Polygram	93	90.70	92.70	92.50
Randstad Hdg	74.90	72.50	73.30	74.80
Robeco	119.80	119.40	119.50	118.50
Rodamco	47.90	47.30	47.80	48
Rolinco	127.70	127	127.50	126.20
Rorento	97.10	96.80	97	96.80
Royal Dutch	228.30	225.10	228	225.20
Stork	42.40	41.20	41.60	42
Unilever cva	241.20	237.70	239.10	240.90
VNU	247.50	244.10	247.50	245
Wolters Kl cva	158.70	155.80	158.30	158

EOE index: 506.46
Previous: 508.01

Bangkok

	High	Low	Close	Prev.
Adv Info Svc	498	494	496	498
Bangkok Bk F	340	336	340	338
Krung Thai Bk	125	122	124	124
PTT Explor	290	288	290	290
Siam Cement F	1390	1348	1354	1396
Telecomasia	78	76.50	77	77
Thai Airways	46.50	45.75	45.75	47
Thai Farm Bk F	274	268	274	272
Thai Teleph	140	137	140	139
Utd Comm	344	342	344	344

SET index: 1378.15
Previous: 1393.31

Bombay

Thursday, Jan. 25

	High	Low	Close	Prev.
Assoc Cement	2650	2600	2605	2650
Grasim Ind	520	502	518	506
Hindalco Ind	906	898	904	902
Indust Lever	636	618	634	626
Indian Hotels	606	594	604	606
ITC	192	189	191	193
Larsen Toubro	244	239	242.50	242
Reliance Ind	161.75	153.50	155	161.75
Tata Eng Loco	366	357	360	360
Tata Iron St	161.25	156.50	157.50	161

Sensitive index: 2826.09
Previous: 2838.57

Brussels

	High	Low	Close	Prev.
Arbed	3520	3455	3455	3550
Barco Ind	3800	3755	3755	3800
BBL	5770	5650	5650	5730
Bekaert	26025	25800	26000	26250
CBR	11975	11875	11925	11950
CMB	2390	2360	2375	2360
Cockerill	177	170	171	175
Colruyt	8900	8780	8790	8810
Delhaize Lion	1258	1234	1234	1246
Electrabel	7300	7220	7250	7290
Electrafina	3075	3050	3050	3070
Fortis AG	3700	3650	3650	3665
GIB	1358	1348	1348	1354
GBL	4090	4005	4005	4030
Gen Banque	11200	10950	11150	11025
Glaverbel	3175	3095	3130	3150
Kredietbank	8430	8350	8380	8460
Mosane	2800	2000	2000	1990
Petrofina	8800	8630	8740	8790
Powerfin	4290	4250	4280	4280
Recticel	330	321	330	326
Royale Belge	6190	5990	6050	6150
Soc Gen Belg	2550	2515	2530	2540
Solvay	16750	16500	16550	16450
Tessenderlo	11675	11500	11675	11675
Tractebel	12825	12675	12700	12825
UCB	44900	44200	44500	44950
Union Miniere	2230	2095	2140	2240

Stock Exchange index: 8767.65
Previous: 8863.46

Copenhagen

	High	Low	Close	Prev.
Carlsberg B	321	318	318	321
Danisco	292	285	291	289
Den Danske Bk	407	402	406	406
D/S Svendbrg A	N.T.	N.T.	N.T.	174000
D/S 1912 A	N.T.	N.T.	N.T.	122000
East Asiatic Co	126	122	125	124
FLS Ind B	490.60	480	480	485
ISS Intl Svc B	150	146	149	149
Nvo Nordisk B	785	778	780	788
Radiometer B	418	415	417	419
Sophus Ber B	654	648	648.20	655
Tele Danmk B	315.32	308	312	315
Unidanmark A	294	287.65	290	292.44

Stock Market index: 388.24
Previous: 389.29

Frankfurt

	High	Low	Close	Prev.
AMB	930	930	930	940
AEG	165.10	161.50	161.50	162.80
Allianz Hdg	2903	2883	2886	2908
Altana	892	885	887	885
Asko Deutsche	830	825	830	825
Badenwerk	490	485	485	485
BASF	352.50	346	346.70	353.90
Bayer Hypo Bk	37.15	36.85	37.10	36.70
Bay.Vereinsbank	44.47	44	44.47	43.85
Bayer	434.50	431.20	433.50	432.50
Berliner Kraft	428	426	428	428
BHF Bank	42.10	41.98	42	42.20
BMW	828	820	828	829
CKAG Colonia	1185	1185	1185	1200
Commerzbank	343.50	340	343.30	338
Daimler Benz	820	802	807.50	808.50
Degussa	531	525	526	533
Deutsche Bank	72.50	70.85	72.39	70.80
Dresdner Bank	38.60	38.35	38.60	38.25
Heidelbg Zmt	936	934	934	938
Henkel	581.50	575.50	581.50	581
Hochtief	650	642	642	650
Hoechst	435.50	431	432.80	438
Holzmann Ph.	560	540	540	551
Karstadt	590	583	586	590
Kaufhof Hdg	478	463	465	475
Linde	887	883	885	884.50
Lufthansa ord	217.50	214.50	214.50	216
MAN	431.50	426	427	430
Mannesmann	517	513	514.80	519.50
Muench Rueck	3210	3135	3145	3222
Preussag	437.50	433	433	439.50
PWA	217.50	216.50	216.50	215.50
RWE	576.50	574	576.50	578
SAP pfd	231.50	229.20	231.50	232.50
Schering	104.70	103.70	104.30	104.95
Schmalb Lab	233	231	233	234
Siemens	845.50	836.60	839	843.80
Suedzucker	790	785	785	790
Thyssen	285	283	285	286.10
Veba	65.95	65.30	65.45	66.45
VEW	525	520	525	522
Viag	636.50	632	636.50	642
Volkswagen	540	531	532.50	552
Wella	780	772	774.50	779.50

DAX index: 2432.93
Previous: 2443.72

Helsinki

	High	Low	Close	Prev.
Cultor I	193	187.10	192	194
Enso-Gutzeit R	28.60	27	28.50	27.80
Huhtamaki IF	123	119	123	123
Kesko	57	57	57	57.20
Kone BF	339	329	330	320
Kymmene F	110	108	109.50	108
Merita A	12	11.70	11.90	12
Metra BF	173	170	172.50	172
Metsa-Serla B	123.60	123.10	123.60	123.40
Nokia Prf F	171	165	166.50	173
Outokumpu A	64	63	64	63.80
Rautaruukki	26.50	25.80	26	26.50
Repola	79.30	78	79	78
Stockmann A	240	240	240	248
Valmet A	115	115	115	115

HEX General index: 1704.57
Previous: 1719.06

Hong Kong

	High	Low	Close	Prev.
Amoy Props	9.15	8.95	9.10	9.05
Bk East Asia	31.50	31.20	31.50	31.40
Cathay Pacific	14	13.10	13.10	13.15
Cheung Kong	57	55.50	56.25	56.50
China Light	37.60	36.50	37.30	37.20
Chin Estates	7.15	6.80	7.10	6.80
Citic Pacific	29.80	29.50	29.55	29.65
Cons Elec Pwr	14.70	14.55	14.65	14.75
Dao Heng Bk	32.30	32	32.30	32
First Pacific	9.75	9.55	9.55	9.60
Great Eagle	23.65	23.20	23.65	23.40
Guangdong Inv	5.60	5.40	5.45	5.65
Guoco Group	41.70	41	41	41.60
Hang Lung	15.05	14.85	14.90	15.05
Hang Seng Bk	74.50	73.25	73.75	73.75
Henderson Inv	7.25	7.15	7.20	7.30
Henderson Ld	55.75	54.75	55.75	56
HKR Intl	8.60	8.40	8.60	8.60
HK Aircraft	23.90	23.30	23.55	22.75
HK China Gas	13.60	13.35	13.50	13.35
HK Electric	26	25.45	25.85	25.55
HK Shang Htls	12.55	12.30	12.50	12.30
HK Telecomm	14.50	14.35	14.45	14.45
Hopewell Hdgs	5.25	5.10	5.15	5.25
HSBC Hdgs	126	124.50	125.50	125.50
Hutchison Wh	51	49.20	49.80	50.50
Hysan Dev	23.35	23.25	23.30	23.35
Johnson El 500	16.40	15.90	16.15	16
Miramar Hotel	17	16.70	16.90	16.80
Natl Mutual	7.15	7	7.15	7
New World	37.40	36.60	37.20	36.80
Oriental Press	3.18	3.10	3.18	3.15
Orient Telecom	2.55	2.50	2.50	2.55
Shangri-La	10.45	10.10	10.25	10.25
SHK Props	70	68.25	70	68.75
Shun Tak Hdgs	6	5.90	5.95	6.05
Sino Land Co.	8.40	8.15	8.30	8.40
Sth China Post	5.30	5.15	5.30	5.20
Swire Pac A	67.25	66.50	67	67
Tsim Sha Tsui	8.50	8.35	8.40	8.65
TV Broadcasts	30.80	30.40	30.50	31.20
Wharf Hdgs	29.90	29.45	29.80	29.50
Wheelock	16.45	16.20	16.40	16.30

Hang Seng index: 11111.90
Previous: 11103.10

Jakarta

	High	Low	Close	Prev.
Astra Intl	3525	3475	3500	3500
Barito Pacific	1975	1950	1950	1975
Gudang Garm	27850	27500	27600	27900
Indah Kiat	1825	1775	1825	1800
Indocement	9000	9000	9000	9000
Indofood	11900	11800	11850	12050
Indorayon	2275	2250	2250	2250
Indosat	9000	8900	8900	9000
Kalbe Farma	8700	8500	8500	8700
Sampoerna	28600	27875	28250	28800

Composite index: 566.86
Previous: 570.13

Johannesburg

	High	Low	Close	Prev.
AngloAm-Corp	275	274	274	272.50
AngloAm Gold	385	379	383	375
AngloAm Ind	190	190	190	190
Barlow	59	58	58.50	59
C.G. Smith	29.50	29.25	29.50	29.75
De Beers	124.50	123.75	124.50	123.50
Driefontein	54	52	54	51.25
Freegold	39	38	38.50	37
Fst Natl Bk	36	36	36	36.25
Gencor	15.35	15.25	15.35	15.25
GFSA	130	128	130	125
Iscor	3.53	3.49	3.50	3.50
Johnnies Ind	58.25	58	58.25	58.50
Kloof Gold	45.15	44	44.75	42.50
Liberty Life	127	127	127	127
Nedcor	67.50	67.25	67.25	67.25
Rembrandt Gp	40.75	40	40	40.75
Richemont	60.50	60.25	60.25	60.75
Rust Platinum	74.25	74	74.25	73
SA Breweries	142.50	139.50	140	142.50
Sappi	53	51	51	53
Sasol	34	33.75	33.90	33.75
SBIC	177	177	177	177
Tiger Oats	71	71	71	71

All Market index: 6961.82
Previous: 6958.08

Kuala Lumpur

	High	Low	Close	Prev.
Mal Banking	22	21.80	22	22.10
Mal Intl Ship F	7.60	7.55	7.60	7.60
Public Bank F	5.95	5.90	5.95	5.90
Resorts World	14.60	14.20	14.20	14.60
Sime Darby	6.85	6.60	6.60	6.85
Telekom Mal	21	20.80	20.90	20.90
Tenaga	10	9.80	9.90	9.90
Utd Engineers	16.90	16.60	16.70	17

Composite index: 1051.40
Previous: 1056.69

London

	High	Low	Close	Prev.
Abbey Natl	6.38	6.30	6.32	6.39
Allied Domecq	5.30	5.20	5.25	5.25
Anglian Water	5.70	5.62	5.62	5.71
Argyll Group	3.34	3.27	3.33	3.36
Arjo Wiggins	1.81	1.76	1.77	1.85
Asda Group	1.09	1.04	1.06	1.09
Assoc Br Foods	3.76	3.72	3.73	3.79
BAA	4.97	4.90	4.93	4.97
Barclays	7.88	7.82	7.87	7.86
Bass	7.31	7.27	7.27	7.34
BAT Ind	5.80	5.65	5.71	5.76
Bank Scotland	3.16	3.08	3.11	3.09
BICC	2.92	2.85	2.88	2.90
Blue Circle	3.47	3.40	3.42	3.46
BOC Group	9.12	9.03	9.12	9.06
Boots	6.08	5.97	6.06	5.99
Bowater	3.73	3.68	3.73	3.71
BPB Ind	2.97	2.95	2.97	2.98
Brit Aerosp	8.82	8.65	8.80	8.69
Brit Airways	5.26	5.20	5.25	5.23
Brit Gas	2.49	2.37	2.40	2.48
Brit Petm	5.21	5.15	5.21	5.21
Brit Steel	1.66	1.61	1.65	1.63
Brit Telecom	3.66	3.54	3.57	3.64
BTR	3.39	3.24	3.29	3.32
Burmah Cast	9.91	9.85	9.89	9.87
Cable Wireless	4.44	4.31	4.34	4.44
Cadbury Schw	5.38	5.30	5.33	5.41
Caradon	2.18	2.13	2.17	2.15
Carlton Comm	10.52	10.43	10.50	10.41
Coats Viyella	1.95	1.90	1.92	1.95
Comml Union	6.30	6.20	6.23	6.30
Courtaulds	4.42	4.34	4.40	4.35
De La Rue	7.12	7.03	7.03	7.11
Eng China Cl	3.27	3.09	3.23	3.16
Enterprise Oil	3.79	3.69	3.75	3.78
Fam Colonial	1.75	1.63	1.63	1.64
Forte	4.02	3.91	4	3.93
Genl Accident	6.67	6.61	6.65	6.63
GEC	3.62	3.58	3.60	3.59
GKN	8.10	7.96	7.98	8.06
Glaxo	9.09	9	9.06	9.08
Granada Gp	7.20	6.89	7.13	7.20
Grand Met	4.54	4.43	4.46	4.56
GRE	2.68	2.63	2.64	2.67
Guinness	4.83	4.62	4.67	4.75
GUS	6.96	6.85	6.96	6.88
Hanson	2.06	2.01	2.04	2.03
Hillsdown Hdg	1.81	1.75	1.79	1.78
HSBC Hldgs	10.95	10.70	10.72	10.71
ICI	8.12	8	8.03	8.14
Inchcape	2.69	2.55	2.61	2.60
Kingfisher	5.36	5.30	5.35	5.35
Ladbroke	1.70	1.67	1.67	1.68
Land Sec	6.42	6.32	6.35	6.41
Laporte	6.58	6.40	6.53	6.47
Lasmo	1.75	1.69	1.73	1.72
Legal Genl Grp	7.08	7.03	7.06	7.08
Lloyds Abbey	4.84	4.78	4.79	4.78
Lloyds TSB Gp	3.44	3.36	3.40	3.38
London Elec	7.20	7.10	7.18	7.18
Lucas Ind	1.97	1.92	1.97	1.97
Marks Spencer	4.43	4.34	4.37	4.41
MEPC	4.08	4.03	4.03	4.08
Mercury Asset	9.02	8.81	9	8.84
Midlands Elec	3.79	3.70	3.77	3.78
Natl Power	4.38	4.28	4.37	4.29
NatWest	6.68	6.62	6.64	6.73
News Intl	3.14	3.07	3.08	3.15
NthWst Water	6.03	5.93	5.98	5.98
Nthern Foods	1.91	1.85	1.85	1.89
P&O	5.59	5.17	5.43	5.25
Pearson	6.51	6.35	6.44	6.41
Pilkington	1.90	1.86	1.90	1.87
Powergen	5.18	[illegible]	[illegible]	5.11
Prudential	4.22	4.17	4.20	4.22
Rank Org	4.57	4.49	4.56	4.52
Reckitt Colm	7.03	6.89	6.99	6.98
Redland	3.85	3.75	3.83	3.80
Reed Intl	10.13	10.04	10.10	10.05
Rentokil	3.42	3.36	3.38	3.42
Reuters Hdgs	6.24	6.17	6.24	6.26
RMC Group	9.80	9.70	9.71	9.74
Rolls Royce	2.01	1.97	2.01	1.99
Royal Bk Scot	5.97	5.84	5.89	5.83
RTZ reg	9.16	8.98	9.05	8.99
Royal Insur	3.93	3.83	3.86	3.93
Sainsbury	4.11	3.87	3.91	4.12
Schroders	13	12.90	12.90	12.90
Scot Newcastle	6.18	6.13	6.17	6.13
Scot Power	3.90	3.57	3.86	3.87
Sears	0.98	0.95	0.95	0.96
Severn Trent	6.29	6.15	6.29	6.22
Shell Trsp reg	8.48	8.35	8.47	8.35
Siebe	7.77	7.36	7.65	7.67
Smith Nephew	1.83	1.81	1.82	1.82
Smith (WH)	4.30	4.16	4.20	4.17
SmithKline clA	7.28	7.16	7.22	7.26
Smiths Ind	6.65	6.48	6.53	6.57
Sthern Elec	7.98	7.19	7.75	7.75
Stand Charter	6.41	6.28	6.38	6.35
Sun Alliance	3.87	3.78	3.79	3.87
Tate & Lyle	4.70	4.64	4.70	4.65
Tesco	2.96	2.88	2.93	2.96
Thames Water	5.42	5.33	5.35	5.41
Thorn EMI	16.80	16.30	16.75	16.47
3i Group	4.15	4.10	4.10	4.12
TI Group	4.83	4.76	4.79	4.82
Tomkins	2.84	2.74	2.83	2.75
Unilever	13.73	13.47	13.64	13.72
Utd Biscuits	2.58	2.53	2.56	2.56
Utd News	5.92	5.83	5.86	5.89
Vendome uts	5.65	5.61	5.65	5.60
Vodafone	2.31	2.28	2.29	2.32
Whitbread	6.90	6.83	6.87	6.90
Williams Hdgs	3.42	3.37	3.40	3.40
Wolseley	4.62	4.57	4.61	4.65
Yorkshire Elec	6.86	6.67	6.86	6.86
Zeneca	12.87	12.60	12.64	12.75

FT-SE 100 index: 3734.70
Previous: 3734.20

Madrid

	High	Low	Close	Prev.
Acerinox	12650	12510	12570	12600
ACESA	1320	1295	1295	1320
Argentaria	5210	5100	5170	5140
BBV	4625	4565	4590	4635
Banesto	854	845	853	855
Bankinter	12790	12600	12790	12710
Bco Centro Hisp	2455	2410	2450	2450
Bco Exterior	3260	3210	3260	3260
Bco Popular	22700	22370	22620	22940
Bco Santander	6120	5980	6060	6100
CEPSA	3225	3165	3200	3175
Corp Mapfre	6720	6690	6710	6700
Dragados	1700	1675	1680	1700
Endesa	7040	6970	6990	7040
FECSA	863	851	853	865
Fomento Const	9940	9760	9910	9840
Gas Natural	18350	18200	18250	18400
Hidrol Cantab	4200	4190	4190	4220
Iberdrola	1205	1170	1180	1210
Pryca	2455	2425	2430	2485
Repsol	4230	4160	4175	4175
Sevillana Elec	933	915	920	934
Tabacalera	4780	4700	4780	4765
Telefonica	1870	1840	1850	1870
Union Fenosa	693	683	687	696
Valenc Cement	1390	1350	1380	1390

Stock Exchange index: 329.08
Previous: 331.43

Manila

	High	Low	Close	Prev.
Ayala A	23	22.75	23	23
Ayala Land	34	33.50	34	34
Manila Elec A	167	165	167	165
Metro Bank	560	550	550	560
Petron	15	14.50	14.75	15
Phil Long Dist	1685	1670	1675	1685
San Miguel A	58.50	58	58.50	58
San Miguel B	98.50	98	98	98
SM Prime Hdg	8.30	8.20	8.30	8.30

PSE index: 2892.76
Previous: 2902.72

Mexico

	High	Low	Close	Prev.
Alfa A	105.00	103.50	103.60	104.10
Cemex B	31.70	30.80	30.90	31.05
Cifra C	9.76	9.60	9.60	9.66
Empresas ICA	100.00	98.40	100.00	98.60
Emp Moderna	33.70	33.20	33.40	33.25
Femsa	21.00	20.45	21.00	20.65
Gpo Carso A1	51.20	50.00	51.20	51.00
Televisa CPO	103.50	97.40	103.50	97.50
TelMex L	12.64	12.40	12.64	12.42
Tribasa CPO	36.30	35.20	35.40	35.40

Bolsa index: 3079.08
Previous: 3053.18

Milan

	High	Low	Close	Prev.
Alleanza Assic	15000	14725	14970	15010
Bca Comm Ital	3530	3435	3530	3530
Bca Naz Agricol	1130	1105	1125	1137
Bca Naz Lavoro	12000	11800	12000	12000
Bca di Roma	1600	1570	1587	1612
Bco Ambrosian	4590	4440	4450	4525
Benetton	18100	17900	17950	18050
Credito Italiano	1929	1890	1927	1938
Enichem Aug.	3400	3400	3400	3400
Fiat	5395	5305	5375	5450
Fondiaria	7580	7415	7575	7715
Generali Assic	39200	38650	39200	39150
IFIL	4970	4885	4965	4990
Italcementi	10300	10000	10205	10280
Italgas	5125	4970	5115	5100
Mediobanca	10670	10420	10465	10685
Montedison	999	977	999	1002
Olivetti	945	890	919	925
Pirelli	2120	2080	2115	2130
RAS	17225	17010	17180	17210
Rinascente	10250	10015	10150	10220
S Paolo Torino	9700	9500	9690	9785
SME	1650	1609	1620	1660
Stando	21500	21000	21500	21000
Stet	4710	4605	4660	4710
Telecom Italia	2675	2600	2665	2670
Toro Assic	21200	20900	21000	21300

MIB Telematico index: 9652.00
Previous: 9736.00

Montreal

	High	Low	Close	Prev.
Alcan I	19¼	19¼	19¼	19¼
Bank Montreal	33⅛	32¾	32⅞	32¾
Bce Mob Com	45	44½	44½	45
Cdn Tire A	15	15	15	15
Cdn Util A	26¼	26⅛	26¼	26⅛
Cascades	7⅛	7	7	7
CT Finl Svc	24⅞	24⅝	24⅝	24⅞
Extendicare	31⅞	31⅝	31⅞	31⅝
Gaz Metro	15	14⅞	15	14⅞
Gt-West Lifeco	28⅞	28⅝	28⅝	29
Hees Intl Bcp	14⅜	14⅜	14⅜	14⅜
Hudsons Bay	18½	18⅛	18¼	18⅛
Imasco	26⅜	26⅛	26⅛	26⅜
Investors Grp	16⅝	16⅜	16⅝	16½
Loblaw Cos	33½	33⅛	33⅜	33⅝
Molson A	23⅞	23½	23⅞	23¾
Natl Bk Canada	11⅛	11	11⅛	11⅛
Oshawa A	22⅝	22⅜	22⅝	22½
Pancdn Petlm	50½	50⅛	50½	50⅛
Power Corp	20⅛	20⅛	20⅛	20⅛
Power Finl	33⅞	33⅝	33⅞	34
Quebecor B	22⅝	22⅛	22⅝	22⅝
Rogers Comm B	15	14⅞	15	15⅛
Royal Bk Cda	32⅛	32	32⅛	32
Sears Canada	6	5⅞	6	5⅞
Shell Cda A	41⅛	41⅛	41⅛	41⅛
Southam	14⅛	14	14⅛	14
Steico A	6	5⅞	6	6
Trilon Finl A	4⅞	4⅞	4⅞	4.45

Industrials index: 2398.19
Previous: 2388.53

Oslo

	High	Low	Close	Prev.
Aker A	86.50	85	85	86
Bergesen Dy B	129	129	129	129.50
Christiania Bk	15.80	15.50	15.50	15.50
Den Norske Bk	17.80	17.50	17.60	17.60
Dt Norsk Luft	294.50	290	290.50	294
Dyno Indust	133.50	130	130	132
Elkem	69.50	66	66.50	68.50
Hafslund A	185.50	182.50	184	184.50
Kvaerner	225	212	219.50	213.50
Leif Hoegh	95	95	95	95
Norsk Hydro	273	263.50	265	268
Norske Skog A	183	176.50	178	179
Orkla	311.50	305	305	309
Rieber B	130	129	129	128
Saga Petlm B	73	73	73	74.50
Schibsted	90	89	90	89.50
UniStorebr A	34.80	34.30	34.60	34.40

OBX index: 411.13
Previous: 413.03

Paris

	High	Low	Close	Prev.
Accor	650	637	648	650
AGF	146.90	144	146.20	147.40
Air Liquide	895	879	893	888
Alcatel Alsth	442.70	434.30	441.70	438
Axa	328.70	318.50	326	330.30
Bancaire	493	490.20	492.40	491.90
BNP	203.80	198	202.80	201.40
Bouygues	523	507	521	520
Canal Plus	1028	1016	1026	1023
Carrefour	3278	3237	3270	3270
CCF	243.80	236.60	238.10	242.20
Cerus	222	216	222	220
Credit Local ci	433	427.50	430	431.50
Credit Lyon PC	239.90	235.10	235.10	240
Danone	798	787	798	797
Elf-Aquitaine	375.60	367.20	372.50	368.80
Eridania BS	873	857	873	870
Euro Disney	13.25	12.65	12.90	12.90
Eurotunnel uts	6.35	6.15	6.35	6.20
Gen. Eaux	547	527	546	533
Havas	400	392	400	398.80
Lafarge Cop	328	321.50	323.60	325
Legrand	839	830	833	833
L'oreal	1408	1386	1399	1405
LVMH	1145	1120	1145	1132
Lyon. Eaux	462.50	455.20	462	460
Michelin B	212.40	208.50	212.40	210.10
Navig Mixte	680	670	673	670
Paribas A	262.50	258.60	261.50	261
Pechiney Intl	90	88	90	88.90
Pernod Ricard	309.50	303.50	308	305
Peugeot Cit	700	688	698	700
Pinault-Print	1138	1109	1122	1135
Promodes	1329	1306	1323	1317
Renault	149.60	144	149.60	148.90
Rh-Poulenc A	108.90	107	108.20	107.50
Roussel-Uclaf	904	890	894	897
Sanofi	337	334.20	336.60	337
Schneider	191.80	183.50	190.40	184
Ste Generale	589	582	588	590
St Gobain	617	589	616	585
St Louis	1480	1445	1479	1457
Suez	188	182.20	187.70	185.10
Thomson CSF	119.90	116	119.90	118
Total B	347.50	337.30	345.80	336.60
UAP	119	115.10	118.80	116
Valeo	262.90	255.50	259.50	260.50

CAC-40 index: 1966.73
Previous: 1950.19

São Paulo

	High	Low	Close	Prev.
Bco Brasil Pfd	12.31	11.50	12	11.98
Banespa Pfd	5.40	5.25	5.40	5.40
Bradesco Pfd	11	10.15	11	10.31
Brahma Pfd	472	468	472	471.49
Cemig Pfd	24	23.31	23.85	23.65
CESP Pfd	27.80	27.80	27.80	28
Eletrobras B	292	288	292	291
Itaubanco Pfd	331	326	330	329
Light	360	346	358	354
Paranapan Pfd	12.80	12.79	12.80	13.81
Petrobras Pfd	97	94.50	95	97.59
Sid Nacional	24.50	24.10	24.50	24.69
Souza Cruz	6.50	6	6.50	6.35
Telebras Pfd	53.20	51.80	52.30	53.60
Telesp Pfd	167	161.20	167	167.50
Usiminas Pfd	1.10	1	1.09	1.03
CVRD Pfd	165	162	164	167

Bovespa index: 49077.10
Previous: 49452.50

Seoul

	High	Low	Close	Prev.
Daewoo Heavy	8400	8250	8400	8250
Hyundai Eng	35700	35100	35300	35000
Hyundai Motor	34000	33500	33800	33900
Korea El Pwr	28800	28400	28500	28700
Korea Mob Tel	611000	604000	604000	610000
LG Electronics	24400	23800	23900	24300
Pohang Iron St	53500	52700	52700	53600
Samsung Elec	140000	137500	138500	139000
Samsung Hvy	19100	18800	18800	18900
Yukong	24200	23600	23800	24000

Composite index: 867.28
Previous: 868.17

Singapore

	High	Low	Close	Prev.
Cerebos Pac	11.80	11.50	11.80	11.80
City Devlts	11.60	11.10	11.20	11.60
Cycle Carriage	16.10	15.80	16	16
Dairy Farm Intl *	1.02	1.01	1.02	1.07
DBS	16.60	16.50	16.50	16.60
DBS Land	5.58	5.40	5.50	5.50
Fraser & Neave	19.60	19.40	19.50	19.40
HK Land *	2.20	2.12	2.20	2.14
Hong Leong Fin	4.02	4	4	4
Jard Matheson *	8.45	8.30	8.40	8.45
Jard Strategic *	3.44	3.32	3.36	3.36
Keppel	13.30	13.10	13.30	13.20
Natsteel	2.91	2.88	2.88	2.89
Neptune Orient	1.66	1.65	1.66	1.65
OCBC foreign	19.20	18.90	18.90	19.10
OSea Union Bk	7.05	7.05	7.05	7.05
Sembawang	8.65	8.60	8.60	8.65
Sing Airlines F	14.70	14.40	14.70	14.40
Sing Petm	1.74	1.73	1.74	1.74
Sing Press F	27.80	27.10	27.40	27.50
ST Auto F	2.98	2.95	2.98	2.98
ST Ship	2.74	2.72	2.73	2.73
Sing Telecomm	3.68	3.56	3.62	3.58
Straits Steam	4.92	4.74	4.74	4.94
Utd Industrial	1.53	1.49	1.51	1.50
Utd OSea Bk F	15.20	14.90	15.20	14.90
Wing Tai Hdgs	3.36	3.30	3.36	3.36

*: in U.S. dollars.
Straits Times index: 2437.34
Previous: 2433.08

Stockholm

	High	Low	Close	Prev.
AGA BF	96	93.50	93.50	94.50
Asea AF	658	653	654	660
AssiDoman F	137	135.50	136	137
Astra AF	272	268	269	272
Atlas Copco AF	100.50	99	99.50	100.50
Avesta F	54.50	52.50	53	53.50
Electrolux BF	277	271.50	275	278.50
Ericsson BF	137	133	135.50	137
Gambro BF	153	152.50	152.50	152.50
Hennes BF	390	382	384	393
Incentive AF	301	299	299	302
Investor BF	219	213	213.50	217
Kinnevik BF	199	192.50	193	199.50
MoDo BF	301.50	295	296.50	296
Sandvik BF	113	111	111.50	112.50
SCA BF	103	99.50	103	99.50
S-E Banken AF	50.50	48.30	49.20	49.20
Skandia Fors F	176	170.50	171.50	174.50
Skanska BF	213.50	210	210.50	211.50
SKF BF	126	124	125	126
SSAB BF	66.50	65	66.50	66.50
Stora AF	73	71.50	72.50	73
Sv Handles AF	127.50	124	125	126
Sydkraft AF	138	136	136	136
Trelleborg BF	72.50	71.50	72	72
Volvo BF	132	128	129	130

SX 16 index: 1931.12
Previous: 1946.85

Market Closed

The Sydney stock market was closed Friday for a holiday.

Taipei

	High	Low	Close	Prev.
Asia Cement	42.80	42.40	42.50	42.80
Cathay Life Ins	121	120	120	120.50
Chang Hwa Bk	98.50	97.50	98	98
China Steel	20.80	20.50	20.60	20.60
China Trust	41.70	41.20	41.30	41.40
Evergreen	44	43.40	43.60	43.70
Far East Text	24.60	24.30	24.40	24.60
First Bank	101	99.50	100	100
Formosa CF	23.20	22.80	22.80	23
Hua Nan Bk	85	84	84.50	84.50
Hualon Teijran	18.50	18.30	18.30	18.30
ICBC	73	72	72.50	72.50
President Ent	32.40	31.90	31.90	32.10
Taiwan Cemt	36.90	36.50	36.60	36.40
Tatung	49.90	49.40	49.40	49.50

Stock Market index: 4935.09
Previous: 4948.97

Tokyo

	High	Low	Close	Prev.
Ajinomoto	1210	1180	1210	1200
All Nippon Air	1080	1050	1080	1060
Asahi Bank	1290	1260	1290	1290
Asahi Chem	790	781	790	785
Asahi Glass	1220	1190	1210	1200
Bank of Tokyo	1770	1700	1760	1720
Bk Yokohama	822	808	822	810
Bridgestone	1650	1630	1650	1650
Canon	2070	2000	2060	2070
Chiba Bank	896	888	890	895
Chubu Elec	2490	2460	2460	2470
Chugoku Elec	2410	2400	2410	2400
Daiei	1260	1220	1260	1230
Daiichi Kang	2000	1960	1980	1950
Daiwa Bank	809	800	805	805
Daiwa House	1710	1690	1710	1700
Daiwa Sec	1540	1500	1540	1520
Fanuc	4580	4540	4580	4570
Fuji Bank	2380	2290	2370	2330
Fuji Photo	3060	3010	3030	3030
Fujitsu	1130	1100	1120	1110
Hitachi	1050	1030	1040	1030
Honda Motor	2250	2170	2250	2190
IBJ	2970	2950	2960	2960
IHI	453	448	448	450
Itochu	737	725	732	737
Ito-Yokado	6020	5960	5980	5980
JAL	713	704	709	713
Jusco	2720	2690	2700	2700
Kajima	1100	1080	1100	1090
Kansai Elec	2500	2470	2480	2480
Kao	1310	1290	1300	1300
Kawa Steel	368	352	358	362
KDD	8410	8280	8280	8300
Kinki Nipp Ry	798	793	796	785
Kirin Brewery	1260	1230	1250	1240
Kobe Steel	320	314	320	315
Komatsu	900	880	900	890
Kubota	663	655	662	657
Kyocera	7700	7610	7630	7640
Kyushu Elec	2400	2380	2400	2400
LTCB	796	779	787	792
Marubeni	566	559	563	565
Marui	2090	2040	2090	2080
Matsu Elec Ind	1750	1720	1740	1720
Matsu Elec Wk	1150	1140	1150	1150
Mitsubishi	1300	1280	1290	1300
Mitsubishi Bk	2390	2330	2390	2330
Mitsubishi Ch	525	499	525	510
Mitsubishi El	765	751	763	750
Mitsubishi Est	1330	1270	1310	1300
Mitsubishi Hvy	845	828	843	832
Mitsubishi Mat	858	850	850	854
Mitsubishi Tr	1770	1700	1770	1750
Mitsui	937	925	937	937
Mitsui Fudosn	1250	1230	1250	1290
Mitsui Trust	1150	1080	1140	1130
Murata Mfg	3670	3670	3670	3670
NEC	1280	1260	1270	1270
New Oji Paper	974	966	974	971
Nikko Sec	1290	1260	1270	1270
Nintendo	8000	7700	7700	7700
Nipp Credit Bk	422	417	420	420
Nipp Express	995	980	995	992
Nippon Oil	603	596	599	599
Nippon Paper	760	730	758	728
Nippon Steel	357	353	354	354
Nippon Yusen	598	588	595	600
Nippondenso	2060	2040	2060	2080
Nissan Motor	849	830	849	829
NKK	287	283	285	285
Nomura Sec	2220	2190	2210	2190
NTT	8120a	8050a	8120a	8090a
Obayashi	855	841	850	849
Odakyu El Ry	720	698	711	700
Ono Pharm	3880	3830	3880	3840
Osaka Gas	382	374	380	380
Ricoh	1170	1120	1150	1160
Sakura Bk	1250	1210	1250	1230
Sankyo	2550	2520	2540	2540
Sanwa Bank	2060	2030	2030	2030
Sanyo Elec	639	613	639	623
Secom	6700	6570	6700	6640
Seibu Rwy	5040	5000	5040	5040
Sekisui House	1350	1320	1340	1320
Seven-Eleven	7250	7020	7200	7200
Sharp	1640	1610	1620	1620
Shimizu	1100	1070	1090	1090
Shin-etsu Ch	2160	2130	2150	2160
Shizuoka Bk	1280	1270	1280	1280
Sony	6340	6230	6300	6290
Sumitomo	1130	1090	1130	1130
Sumitomo Bk	2050	1970	2050	2030
Sumit Chem	524	512	523	524
Sumitomo Elec	1330	1300	1310	1310
Sumit Metal	332	322	330	332
Sumit Trust	1460	1420	1460	1460
Taisei	719	705	719	720
Taisho Pharm	2070	2030	2060	2050
Takeda Chem	1600	1570	1590	1610
TDK	5390	5270	5270	5300
Tohoku El Pwr	2530	2500	2520	2520
Tokai Bank	1410	1390	1410	1390
Tokio Marine	1340	1300	1330	1320
Tokyo El Pwr	2710	2690	2690	2710
Tokyo Gas	378	373	377	374
Tokyu	734	708	734	713
Tonen	1600	1570	1600	1570
Toppan Print	1420	1380	1420	1400
Toray Ind	689	672	688	670
Toshiba	838	827	835	830
Toyo Seikan	3400	3250	3400	3370
Toyo Trust	1010	985	1000	1010
Toyota Motor	2270	2250	2270	2270
Yamaichi Sec	805	795	805	800
Yamanouchi	2300	2260	2280	2280
Yasuda Fire	769	758	769	758
Yasuda Trust	612	598	607	610

a: x 100
Nikkei 225 index: 20663.84
Previous: 20414.69

Toronto

	High	Low	Close	Prev.
Abitibi Price	21⅞	21¼	21⅜	21⅜
Air Canada	4.85	4⅝	4⅝	4⅝
Alberta Energy	22⅞	22⅝	22⅝	22¾
Alcan Alum	43⅜	42⅞	43⅛	42⅞
Avenor A	24⅛	23	24⅛	23
Bk Nova Scotia	31⅝	31⅛	31½	31⅝
Barrick Gold	40⅝	40⅛	40⅝	40⅝
BCE	48⅝	48⅛	48¼	48⅜
BC Telecomm	26	25⅝	26	26
Bombardier B	20	19⅝	19⅞	19⅝
Brascan A	23⅞	23⅛	23⅛	23⅛
Cameco	61	59⅝	61	59⅝
CIBC	42⅛	41⅞	41⅞	41½
Cdn Airlines	2.74	2.55	2.66	2.55
Cdn Natl Res	20	19⅝	20	19⅝
Cdn Occid Pet	44⅝	44⅛	44⅝	44⅛
Cdn Pacific	25⅞	25⅛	25⅝	25⅛
Cominco	27⅝	27⅛	27⅝	27⅛
Consumers Gas	19⅝	19⅛	19⅛	19⅝
Dofasco	19⅝	19¼	19¼	19⅝
Domtar Ind B	10⅛	10	10⅛	10⅛
Du Pont Cda A	26	25⅝	25⅞	25⅞
Echo Bay Min	17⅝	17	17⅝	17⅛
Empire Co. A	12½	12⅜	12½	12⅜
Falconbridge	29⅝	29⅛	29½	29⅝
Fletcher Chall A	20⅛	19⅝	20⅛	19⅝
Franco Nevada	86	85	86	86
Guardian Cap A	10	10	10	10
Hemlo Gold	17⅛	16⅞	17⅛	17⅛
Horsham	19	18⅝	18⅞	19
Imperial Oil	49⅝	48⅞	49	48⅞
Inco	46⅝	46⅛	46⅛	46⅛
IPL Energy	33⅛	33	33	33⅛
Laidlaw A	14	14	14	13⅞
Laidlaw B	14⅛	14	14⅛	14⅛
Loewen Group	27⅝	24	27⅛	25⅝
Ldn Insur Gp	27	26⅝	26⅝	26⅝
Macmill Bld	17⅝	17⅛	17⅛	17⅛
Magna Intl A	57	56⅝	56⅞	56⅝
Maple Leaf Fds	6⅝	6⅛	6⅛	6⅝
Moore	26⅛	25⅝	26⅛	25⅝
Newbridge Net	69	68⅝	68⅞	68⅝
Noranda Inc	28	27⅛	28	27⅛
Noranda Forest	9	8⅝	9	8⅝
Norcen Energy	19⅝	19⅛	19⅝	19⅛
Nthern Telecom	62⅞	61⅞	62⅛	62⅞
Nova	11⅜	11⅛	11⅜	11⅛
Onex	14⅝	14⅛	14⅛	14⅛
Placer Dome	38	37⅛	37⅝	37⅝
Potash Sask	91	89	91	89
Provigo	8	7⅞	8	8
Quebecor Print	24⅛	24	24	24
Renaissance	33⅞	33⅛	33⅝	33⅝
Rio Algom	24⅝	24⅛	24½	24½
Seagram Co	50⅝	49⅝	50⅛	49⅝
Stone Consold	18⅝	18	18½	18½
Talisman Egy	29⅛	28⅝	28⅝	27⅝
Teleglobe	19	18⅝	18⅝	18⅝
Telus	16½	16⅛	16½	16½
Thomson	20⅛	19⅝	19⅞	20
TorDom Bank	25½	25	25½	25⅝
Transalta	15⅛	15	15	15⅛
TransCda Pipe	19⅝	19	19⅝	19⅞
Utd Dominion	30⅛	29⅜	30⅛	28⅞
Westburn	9⅝	9⅛	9⅝	9
Westcoast Eny	21⅝	21⅛	21½	21½
Weston	49	48⅝	48⅝	49⅛

TSE Industrials index: 4901.18
Previous: 4870.48

Vienna

	High	Low	Close	Prev.
Aust Airlines	1900	1900	1900	1610
Brau-Un Goess	561	547	555	561
Bund Vers Pfd	440	440	440	450
Creditanst PC	1638	1615	1625	1630
EA-Generali	3450	3420	3441	3440
EVN	1385	1376	1376	1388
Interunfall	1551	1551	1550	1550
Lenzing	903	900	900	903
Leykam	376	371	372	379
Mayr-Melnhof	520	506	515	556
OEMV	980	969	975	978
Oest Brau-Bet	526	515	520	519
Oest Elektriz	666	661	664	662
VA Tech	1378	1370	1370	1381
Wienerberger	2325	2305	2315	2320

ATX index: 1063.15
Previous: 1049.36

Wellington

	High	Low	Close	Prev.
Air N Zeald B	3.46	3.43	3.46	3.43
Brierly Invt	1.28	1.27	1.28	1.27
Carter Holt ord	3.00	2.93	3.00	2.92
Ferraz	4.05	4.04	4.04	4.05
Fisher Paykel	4.65	4.59	4.60	4.65
Fletcher Chall	3.40	3.37	3.37	3.38
Fletcher For	2.06	2.03	2.04	2.07
Goodman Fder	1.46	1.45	1.45	1.47
Indep News	4.92	4.90	4.92	4.92
Lion Nathan	3.50	3.48	3.50	3.48
Nat Gas note	1.97	1.94	1.94	1.97
NZ Refining	23.75	23.70	23.75	23.75
Telecom NZ	6.30	6.19	6.20	6.31
Trust Bk NZ	2.06	2.04	2.04	2.05
Wilson Horton	9.05	9.05	9.05	9.05

NZSE-40 index: 2078.69
Previous: 2073.99

Zurich

	High	Low	Close	Prev.
Adia B	212	207	210	210
Alusuisse R	929	919	922	928
Ares-Serono B	860	855	860	865
Baer Hdg B	1230	1220	1220	1230
Baloise Hdg R	2420	2340	2420	2400
BBC B	1365	1350	1350	1360
Bk Vision	1480	1435	1460	1490
Bobst B	1900	1870	1870	1890
Ciba Geigy R	1005	987	1002	995
CS Holdings R	112.25	110	111.50	111.75
Elektrowatt B	432	420	420	430
Fischer B	1460	1450	1450	1455
HIW PC	903	900	900	905
Holderbank B	870	855	865	870
Landis Gyr R	950	945	950	950
Merkur Hdg R	265	263	264	263
Nestle R	1270	1249	1256	1270
Oerlikon R	106	104	106	104
Pargesa Hld B	1480	1450	1480	1480
PharmVision B	5970	5830	5950	6000
Pirelli B	132	130	132	134
Roche Hdg PC	8790	8670	8750	8780
Sandoz R	1056	1028	1039	1054
SBC B	432	418	427	432
Schindler B	1300	1270	1280	1280
SGS B	2300	2255	2300	2265
SMH B	695	685	695	690
Sulzer R	747	740	740	746
Swiss Reinsur R	1176	1153	1171	1170
Swissair R	990	983	988	980
UBS B	1239	1195	1239	1238
Winterthur B	772	762	762	772
Zurich Assur R	319	313	318	318

SPI index: 2090.48
Previous: 2102.22

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EUROPE

Trading Income Lifts Profit at Argentaria and Banco Santander

Compiled by Our Staff From Dispatches

MADRID — Two of Spain's largest commercial banks said Friday that 1995 profits rose as a rebound in income from securities trading outweighed declines in their core loan businesses.

State-controlled Argentaria Corporación Bancaria del España SA posted net profit of 74.2 billion pesetas ($595 million), up 12 percent from the previous year, as trading profit soared to 11.03 billion pesetas, reversing a loss of 21.3 billion a year earlier.

Trading income helped offset a 7 percent drop in net interest income, what the bank earns on loans less what it pays on deposits, to 204.9 billion pesetas.

Argentaria's earnings were limited by the costs of taking full control of its Banco Exterior de España SA unit and cleaning up the wholesale bank's loan book. Argentaria spent more than 90 billion pesetas to buy back the 26 percent of Banco Exterior it did not already own. The bank also set aside 68.57 billion pesetas against bad loans, up 46 percent from a year ago.

The Argentaria banking group was created in 1991 to reorganize the Spanish government's holding in financial institutions.

But the government is seeking to lower its stake. Investors will scrutinize the earnings for clues about whether to buy shares in Argentaria when the government sells 25 percent of the bank, half its remaining stake.

The bank's president, Francisco Luzón, said he hoped a share sale would occur in the first half.

Shares in Argentaria were up 30 pesetas at 5,170.

Mr. Luzón said the bank was setting a 1996 target for a pretax profit rise of 35 percent.

Separately, net profit at Banco Santander, Spain's largest commercial bank, rose 8 percent, to 75.39 billion pesetas. Excluding the cost of its investment in Banco Español de Crédito SA, or Banesto, Santander's net earnings would have risen 28 percent, to 87.7 billion pesetas.

Like other major Spanish banks, Santander benefited from a turnaround in its trading income. After reporting a loss of 32.51 billion pesetas from capital-market operations in 1994, it posted a profit of 55.66 billion last year.

Santander's net interest income grew 21 percent, to 341.74 billion.

"In spite of the good performance of Banesto, it has cost the Santander group about 12 billion pesetas to maintain Banesto last year," President Emilio Botin said.

Banesto last year posted a profit of 21.2 billion pesetas, its first since 1992. While part of those earnings are reflected in Santander's results, so is the cost of restructuring Banesto's business, setting aside reserves for bad loans and other costs.

But Mr. Botin predicted the Santander group's net profit would rise 12 percent during 1996. Despite the outlook, Santander's shares declined 40 pesetas, to 6,060.

(Bloomberg, AFX)

A Swedish Thaw?

Persson Defends Welfare Net

Reuters

STOCKHOLM — Goran Persson, Sweden's finance minister and probable future prime minister, on Friday defended new plans to cut unemployment and raise welfare benefits, saying they could unify the government without endangering the budget.

Mr. Persson said the plans — to cut the jobless rate to 4 percent of the work force by 2000 from a current 7.8 percent, and to raise unemployment benefits to 80 percent of pay in 1998 from 75 percent today — would help the governing Social Democratic Party continue its needed overhaul of state finances.

"Without a party that sticks together, we are not able to carry out the budget consolidation," he said. "The budget consolidation process must be completed, but I must also make sure that I have the tools to do so. This plan is one of those tools."

"My role is to make sure that I have a political organization behind me which makes it possible to implement this," he said. "I am more optimistic about that today than I was a month ago."

Mr. Persson, who is viewed as almost certain to take over as prime minister from Ingvar Carlsson in March, has been criticized this week for the new plans, which are seen by some as a diversion from the austerity program that Mr. Persson initiated.

Interest rates have risen sharply and the krona has plunged on market speculation that Mr. Persson had abandoned his tough stance.

"That is wrong," he said. "These changes will be financed, it will be done."

While Mr. Persson did not specify exactly how that would happen, he said some of the costs of the employment program would be met by increasing the energy tax and trimming employment subsidies to companies.

Welfare increases would be subsidized internally, he said, by changing certain rules, such as the time period during which a person can receive payment. Firm plans will be presented this spring, he said.

In response to claims that he had given in to pressure from the left wing of the party, Mr. Persson said the new plans should be seen as a compromise. He said the government was not shifting from its strict budget plans and would not increase other benefits unless they could be funded within the existing budget.

"Although you always have to be open for this sort of redistribution, I do not see any such possibility now," he said.

Mr. Persson said about 10 billion kronor ($1.45 billion) would be spent on a training program to cut unemployment, but that this would not affect state finances.

He stood by a previous statement that it might not be necessary to cut 16 billion kronor from the budget. The cuts were announced earlier as part of a plan to achieve a balanced budget by 1998.

He added that inflation, which stood at 2.6 percent in December, was within the central bank's target of 1 percent to 3 percent.

Porsche Gets On Track With Solid First Half

Bloomberg Business News

STUTTGART — Porsche AG said Friday it expected net profit in its current financial year to be "clearly better" than originally planned after earning a net profit of 10 million Deutsche marks ($6.7 million) in the first six months.

"It is clear, that the current fiscal year will continue to turn out better," the carmaker's chief executive, Wendelin Wiedeking, said in a speech prepared for the annual shareholders meeting.

Mr. Wiedeking said the success of reorganization measures helped Porsche improve over the break-even result reported for the first half of the 1995 financial year.

The introduction of the new Boxster model in September will sustain the profit growth that started in the company's 1995 financial year, when the company posted a net profit of 2.1 million DM after suffering a loss of 150 million DM the year before, Mr. Wiedeking said.

"Our success is not just in an economic turnaround, rather that during the intense reorganization phase we were able to develop and produce a strong product," he said.

Even without the new roadster, Mr. Wiedeking said he expected to increase sales of Porsche cars to 18,500 this year, from 17,268 last year.

The company, known formally as Dr. Ing. h.c.F Porsche AG, said first-half sales rose 19 percent, to 1.4 billion DM. The company sold 9,568 cars, up 17 percent from the same period a year earlier.

Mr. Wiedeking said the company could grow by breaking from its "one-dimensional" sports car product line and offering new products in related markets.

■ Audi Sales Climb 24%

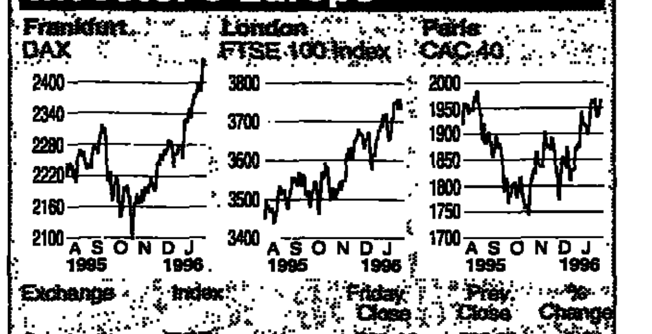
Audi AG said Friday that its sales jumped 24 percent in 1995, largely on the strength of demand for its A4 compact model.

The luxury division of Volkswagen AG posted sales of 16.7 billion DM ($11.54 billion) last year, up from 13.5 billion DM in 1994.

Deliveries of new cars rose 19 percent worldwide, to 448,200 units, while deliveries in Germany soared 27 percent, to 204,100.

The company said it would release its 1995 earnings on April 17.

Investor's Europe



Exchange	Index	Friday Close	Prev. Close	% Change
Amsterdam	EOE	506.46	508.01	-0.31
Brussels	Stock Exchange	8,767.65	8,863.46	-1.08
Frankfurt	DAX	2,432.93	2,443.72	-0.44
Copenhagen	Stock Market	398.24	399.29	-0.27
Helsinki	HEX General	1,704.57	1,719.06	-0.84
Oslo	OBX	411.13	413.03	-0.46
London	FTSE 100	3,794.70	3,784.20	[illegible]
Madrid	Stock Exchange	329.00	331.43	-0.73
Milan	MIBTEL	9,652.00	9,736.00	-0.86
Paris	CAC 40	1,968.73	1,950.18	+0.95
Stockholm	SX 16	1,831.12	1,848.86	-0.95
Vienna	ATX	1,063.15	1,069.30	-0.58
Zurich	SPI	2,090.48	2,102.23	-0.56

Source: Telekurs — International Herald Tribune

Very briefly:

- **All European Union** countries but one have yet to implement rules on the unification of securities trading that was to take effect Jan. 1, the head of the European Commission stock exchange division said without naming the complying nation.
- **Olivetti SpA** will lay off 1,000 more employees by June in continued cost-cutting.
- **J. Sainsbury PLC** warned that its financial 1996 pretax profit would not meet market expectations as price-cutting aimed at regaining market share had eroded profit margins. It also blamed advertising costs.
- **Jacques Bouvet** resigned as president of **Charbonnages de France** at the request of the government, the state-owned coal company said.
- **Compagnie de Saint-Gobain SA's** net profit for 1995 was 4.21 billion French francs ($829.8 million), 16 percent higher than in 1994, aided by growth in most units.
- **Galeries Lafayette SA's** chairman expects second half results to be below forecasts as terrorist attacks and public-sector strikes affected revenue at the French retailer.
- **ABB Asea Brown Boveri Ltd.** will cut thousands of jobs in coming years at its ABB Germany unit to maintain competitiveness, the managing director of the unit said.
- **Robert Bosch GmbH** plans to invest 90 million Deutsche marks ($60.9 million) in Russian fuel injector plants it will build in a venture with three Russian partners.
- **Estonian Privatization Agency** is set to start talks on the sale of national carrier **Estonian Air** after receiving bids from an unspecified number of buyers, a spokeswoman said.
- **Neste Oy** is liable to a fine of up to 100 million markkaa ($22 million) but no more than 10 percent of its annual revenue for charging different prices for its oil products to different wholesalers, the financial newspaper Kauppalehti quoted the head of the **Free Competition Office** as saying. Neste is appealing the decision, it added. *Bloomberg, AFP, AFX, Reuters*

Board Reshuffle Looms as Olivetti Pact Ends

Compiled by Our Staff From Dispatches

MILAN — The dissolution Friday of a pact of key shareholders at Olivetti SpA could bring new directors to the office products and computer company's board, analysts said.

The six-member pact formed the single largest group of shareholders in the Italian company.

The announcement of the pact's dissolution spelled out how much stock pact members held as of Tuesday. Their stakes had shrunk following a 2.26 trillion lire ($1.42 billion) capital increase in December.

Details of a new shareholder structure will be released at the end of the month, the company said.

Olivetti shares closed down 6 lire Friday, at 919 lire.

"The dissolution of the pact could mean that there is a new distribution of power with the shareholding structure or maybe that there were tensions within the pact," said Alberto Rolla, an analyst at Caboto SIM.

A company spokesman said there had been no dissension among members over Olivetti's financial woes.

"There were some U.S. funds that had considerable stakes already," Mr. Rolla added, "and perhaps they have been increased through the capital increase and they may want more influence over company decision-making."

Olivetti has said the sale drew institutional investors, particularly from the United States and Britain.

As of Tuesday, the former pact members held 18.2 percent of Olivetti stock, down from 19.9 percent before the capital increase.

CIR SpA, the holding company of Olivetti's chairman, was still the top shareholder, with a 15 percent stake, against 15.9 percent before the increase. Mediobanca SpA, a merchant bank, held 2.2 percent, but no other member had even 1 percent.

Analysts said the dissolution had not increased the possibility of a takeover bid, citing Olivetti's present difficulties. They also noted that the pact had not held a majority of shares, and thus a bidder could theoretically have seized control of the company against the pact's wishes.

Any changes to the board or greater influence from new shareholders might force Olivetti to take a more direct approach to its restructuring, said Maria Paola Toschi of Milla & Co. *(AFX, Bloomberg)*

AMEX

Friday's 4 p.m. Close

The top 200 most-active shares, up to the closing on Wall Street. *The Associated Press*

Stock	Sales	High	Low	Latest	Chge
AM Intl	183	[illegible]	[illegible]	[illegible]	[illegible]
AMC	384	[illegible]	[illegible]	[illegible]	[illegible]
AMC pf	151	[illegible]	[illegible]	[illegible]	[illegible]
ARC	326	[illegible]	[illegible]	[illegible]	[illegible]
ActvCom	252	[illegible]	[illegible]	[illegible]	[illegible]
AdvMed	180	[illegible]	[illegible]	[illegible]	[illegible]
AirCure	1032	[illegible]	[illegible]	[illegible]	[illegible]
Alfin	134	[illegible]	[illegible]	[illegible]	[illegible]
AlldDatl	130	[illegible]	[illegible]	[illegible]	[illegible]
AldD wtA	120	[illegible]	[illegible]	[illegible]	[illegible]
Alphain	6011	[illegible]	[illegible]	[illegible]	[illegible]
AlpnGr	314	[illegible]	[illegible]	[illegible]	[illegible]
Amdhl	928	[illegible]	[illegible]	[illegible]	[illegible]
AIM 84	99	[illegible]	[illegible]	[illegible]	[illegible]
AIM 85	139	[illegible]	[illegible]	[illegible]	[illegible]
AmShrd	280	[illegible]	[illegible]	[illegible]	[illegible]
ATechC	185	[illegible]	[illegible]	[illegible]	[illegible]
Ampex n	732	[illegible]	[illegible]	[illegible]	[illegible]
Andrea	93	[illegible]	[illegible]	[illegible]	[illegible]
Anuhco	180	[illegible]	[illegible]	[illegible]	[illegible]
Arrowmx	138	[illegible]	[illegible]	[illegible]	[illegible]
Arhytn	154	[illegible]	[illegible]	[illegible]	[illegible]
Astrotc	416	[illegible]	[illegible]	[illegible]	[illegible]
Atari	2985	[illegible]	[illegible]	[illegible]	[illegible]
Audvox	170	[illegible]	[illegible]	[illegible]	[illegible]
AuroraEl	114	[illegible]	[illegible]	[illegible]	[illegible]
Azco	174	[illegible]	[illegible]	[illegible]	[illegible]
BAT Ind	275	[illegible]	[illegible]	[illegible]	[illegible]
BHC	93	[illegible]	[illegible]	[illegible]	[illegible]
Balow	471	[illegible]	[illegible]	[illegible]	[illegible]
Balinty n	225	[illegible]	[illegible]	[illegible]	[illegible]
BanFd	129	[illegible]	[illegible]	[illegible]	[illegible]
BarrLb	223	[illegible]	[illegible]	[illegible]	[illegible]
BSYn pwt96	117	[illegible]	[illegible]	[illegible]	[illegible]
BemaGold	4852	[illegible]	[illegible]	[illegible]	[illegible]
Biovail s	2134	[illegible]	[illegible]	[illegible]	[illegible]
BlairCp	87	[illegible]	[illegible]	[illegible]	[illegible]
BogenC n	97	[illegible]	[illegible]	[illegible]	[illegible]
Bostnfd n	350	[illegible]	[illegible]	[illegible]	[illegible]
Bowne	181	[illegible]	[illegible]	[illegible]	[illegible]
Brscn g	39	[illegible]	[illegible]	[illegible]	[illegible]
Buffton	194	[illegible]	[illegible]	[illegible]	[illegible]
CE Fmk	481	[illegible]	[illegible]	[illegible]	[illegible]
CFX Cp s	150	[illegible]	[illegible]	[illegible]	[illegible]
CSTEnt	180	[illegible]	[illegible]	[illegible]	[illegible]
Cablvsn	1786	[illegible]	[illegible]	[illegible]	[illegible]
Cblvs pf	2439	[illegible]	[illegible]	[illegible]	[illegible]
Cabletel	186	[illegible]	[illegible]	[illegible]	[illegible]
Calton	212	[illegible]	[illegible]	[illegible]	[illegible]
Cambior	330	[illegible]	[illegible]	[illegible]	[illegible]
Cambrx	174	[illegible]	[illegible]	[illegible]	[illegible]
ecConcTr	100	[illegible]	[illegible]	[illegible]	[illegible]
LXRBiot	7182	[illegible]	[illegible]	[illegible]	[illegible]
LaBarg	289	[illegible]	[illegible]	[illegible]	[illegible]
Laser	225	[illegible]	[illegible]	[illegible]	[illegible]
LsrTech	202	[illegible]	[illegible]	[illegible]	[illegible]
LeathFac	375	[illegible]	[illegible]	[illegible]	[illegible]
LiVern	438	[illegible]	[illegible]	[illegible]	[illegible]
MAI Sy n	296	[illegible]	[illegible]	[illegible]	[illegible]
MC Shp	95	[illegible]	[illegible]	[illegible]	[illegible]
MacNSC	158	[illegible]	[illegible]	[illegible]	[illegible]
Macellan	574	[illegible]	[illegible]	[illegible]	[illegible]

U. S. STOCK MARKET DIARY

Indexes

Dow Jones

	Open	High	Low	Last	Chg.
Indus	5205.43	5276.44	5205.99	5271.75	+54.92
Trans	1903.65	1915.57	1901.49	1908.93	-4.09
Util	227.78	229.18	227.36	229.18	+0.35
Comp	1690.34	1705.61	1692.85	1705.21	+9.25

Standard & Poors

	High	Low	Close	Chg.
Industrials	729.87	721.76	729.79	+5.98
Transp.	475.37	472.65	475.30	+1.09
Utilities	201.84	200.12	201.83	+0.87
Finance	62.39	61.84	62.31	+0.35
SP 500	621.70	615.26	621.62	+4.59
SP 100	596.11	588.86	595.60	+5.09

NYSE

	High	Low	Last	Chg.
Composite	332.89	329.72	332.84	+2.29
Industrials	418.04	413.67	417.96	+3.39
Transp.	299.97	297.79	299.94	+1.18
Utility	254.03	251.91	254.00	+0.89
Finance	277.47	275.41	277.38	+1.22

Nasdaq

	High	Low	Last	Chg.
Composite	1040.87	1032.89	1040.07	+4.12
Industrials	953.38	948.73	953.31	+2.52
Banks	1016.10	1013.29	1015.57	+0.18
Insurance	1292.51	1288.39	1290.00	-1.48
Finance	1220.24	1214.62	1220.24	+1.71
Transp.	782.39	774.54	781.07	+0.37

AMEX

High	Low	Last	Chg.
545.46	540.90	545.34	+3.60

Dow Jones Bond

	Close	Chg.
20 Bonds	105.79	+0.05
10 Utilities	102.34	+0.05
10 Industrials	109.25	+0.05

Most Actives

NYSE

	Vol.	High	Low	Last	Chg.
MicrnT s	108685	36⅛	33⅝	34½	-1½
NtaMP	62871	9¼	8	9⅝	+⅝
EMC	62449	20½	19	19¾	-¾
AmExp	53798	44¼	41⅞	43	+2¼
Citicorp	52138	71⅞	70⅛	70⅞	-⅛
TelMex	41663	34⅛	33⅝	34	+⅛
Compaq	35703	48⅛	46½	46¾	-⅛
FordM	33038	29⅜	29	29⅜	—
WalMart	32511	20	19⅝	19⅞	-⅛
Loral s	32071	45⅝	44⅞	45½	+⅜
ExideCp	31840	34	32	33⅛	-14½
K mart	30870	5⅝	5½	5⅝	-⅛
FedNM	30419	32	31⅝	32	+½
StorTch	30267	28	26⅛	28	+2½
AT&T	29941	65	64	64⅞	+⅜

Nasdaq

	Vol.	High	Low	Last	Chg.
Intel s	82914	55	53⅝	55	+⅜
AppleC	65427	31¼	28⅝	30⅜	+⅜
Starbcks s	62837	15⅜	14⅞	15½	+⅝
Omniat n	62706	21½	19½	21	—
Novell	62565	12⅝	12⅛	12⅜	+⅛
Gate2000	61480	26⅛	23 11/16	25⅝	+3⅝
Unifab	48741	2⅜	1⅞	2⅛	+2⅛
SunMic s	47755	43⅞	41 15/16	42⅝	-1⅛
DellCpt s	47711	27⅝	25⅝	27½	+2½
Cisco	47579	81⅛	77⅝	81⅛	+1⅞
Loewen g	43848	21¼	17⅝	20½	+1¾
Quantmk	42073	18⅛	16¼	17	-3⅛
Oracle s	40739	48¼	46⅝	47⅝	—
MCI	37220	27⅛	26⅝	27½	+⅛
BayNtwk s	36834	41½	39⅞	40	-½

AMEX

	Vol.	High	Low	Last	Chg.
Hasbro	53058	43⅝	41⅛	42⅞	-2⅝
EchoBay	18567	12⅝	12⅛	12½	+⅛
RoyalO g	10108	4 9/16	4⅜	4½	-⅛
ViacB	7769	40½	39⅞	40	+⅛
XCL Ltd	7388	⅜	5/16	⅜	+1/16
SPDR	7093	62⅞	61⅞	62⅝	+⅞
Alphain	6511	10⅛	7½	9⅝	-3⅛
BemaGold	4852	2⅝	2⅜	2¼	+1/16
FAusPr	3781	9⅝	9⅛	9½	—
NA Vacc	3517	13⅝	13⅜	13½	-⅛

Trading Activity

NYSE

	Close	Prev.
Advanced	1271	1042
Declined	1053	1267
Unchanged	757	774
Total issues	3081	3083
New Highs	186	133
New Lows	19	17

Nasdaq

	Close	Prev.
Advanced	1896	1795
Declined	1492	1812
Unchanged	1734	1714
Total issues	5122	5321
New Highs	150	164
New Lows	63	66

AMEX

	Close	Prev.
Advanced	326	288
Declined	236	278
Unchanged	202	193
Total issues	764	759
New Highs	22	37
New Lows	11	5

Market Sales

	Today 4:00	Prev. cons.
NYSE	371.16	545.74
Amex	20.01	35.75
Nasdaq	450.27	582.81

In millions.

Dividends

Company	Per	Amt	Rec	Pay
IRREGULAR				
Gold Fields SA		c .216	2-9	3-21
Tremon Svgs Bk		.0875	2-14	3-8
c-approx amount per ADR.				
STOCK SPLIT				
Cisco Systems 2 for 1 split.				
Diebold Inc 3 for 2 split.				
Damco Iaust 2 for 1 split.				
Illinois Central 3 for 2 split.				
STOCK				
Carrollton Bncp	-	2%	2-23	3-8
E-Z-EM Inc B	-	3%	2-23	3-15
Imperial Bncp	-	8%	2-14	3-23
Stifel Fin	-	5%	2-6	2-20
INCREASED				
ADCO Techs	Q	.02	2-15	2-28
City Natl Corp	Q	.09	2-5	2-15
Donohue Inc A&B	Q	.225	2-19	3-1
Fahnestock Viner	A	.20	2-9	2-23
KansasCity Sthn	Q	.10	2-23	3-15
Meridian Diagnost	Q	.035	2-5	2-12
North AmSvgsBk	Q	.15625	2-9	2-23
SJW Corp	Q	.555	2-5	3-1
Stewart Airfoss	Q	.011	3-13	3-26
Timberline Soft	Q	.04	2-2	2-16
Vornado Rlty	Q	.61	2-5	2-13
RESUMED				
Southdown Inc	-	.10	2-15	3-1
INITIAL				
Diebold Inc n	-	.17	3-8	3-29
Imperial Credit	-	.08	1-26	1-30
Mid Iowa Fin Cp n	-	.02	2-5	2-23
REGULAR				
Alco Std	Q	.14	2-20	3-10
Alex & Baldwin	Q	.22	2-16	3-7
Allergan Inc	Q	.12	2-16	3-8
Alltel Corp	Q	.26	2-26	4-3
Astoria Fincl	Q	.20	2-15	3-1
BT Fincl	Q	.32	2-9	3-1
CINergy Cp	Q	.43	2-5	2-15
Conestoga Ent	Q	.32	2-29	3-15
Crestar Fin	Q	.42	2-5	2-21
Crown Pacific	Q	.51	2-1	2-14
Entergy Corp	Q	.45	2-9	3-1
Ferro Corp	Q	.135	2-15	3-10
Fst Fncl Hldgs	Q	.16	2-5	2-26
Fst St Bncp NM	Q	.06	2-21	3-20
Firstar Corp	Q	.25	2-5	2-15
McClatchyNews	Q	.095	3-11	4-1
Mead Corp	Q	.28	2-5	3-1
Middlesex Water	Q	.275	2-15	3-1
Monsanto Co	Q	.69	2-15	3-12
NH SecurityGrp	Q	.16	2-5	2-29
Pikeville Ntl	Q	.18	2-15	4-1
Potlatch Cp	Q	.415	2-13	3-4
Prime Residential	Q	.40	2-5	2-15
Potomac Elec	Q	.415	2-28	3-29
Public Svc NC	Q	.2125	3-11	4-1
Shopko Stores	Q	.11	3-1	3-15
Smiths Fd B.	Q	.15	2-15	3-15
Texaco Inc	Q	.80	2-6	3-8
Universal foods	Q	.25	2-12	3-1

a-annual; g-payable in Canadian funds; m-monthly; q-quarterly; s-semi-annual

Stock Tables Explained

Sales figures are unofficial. Yearly highs and lows reflect the previous 52 weeks plus the current week, but not the latest trading day. Where a split or stock dividend amounting to 25 percent or more has been paid, the years high-low range and dividend are shown for the new stocks only. Unless otherwise noted, rates of dividends are annual disbursements based on the latest declaration.

a - dividend also extra (s). b - annual rate of dividend plus stock dividend. c - liquidating dividend. cld - called. d - new yearly low. e - dividend declared or paid in preceding 12 months. g - dividend in Canadian funds, subject to 15% non-residence tax. i - dividend declared after split-up or stock dividend. j - dividend paid this year, omitted, deferred, or no action taken at latest dividend meeting. k - dividend declared or paid this year, an accumulative issue with dividends in arrears. n - new issue in the past 52 weeks. The high-low range begins with the start of trading. nd - next day delivery. P/E - price-earnings ratio. r - dividend declared or paid in preceding 12 months, plus stock dividend. s - stock split. Dividend begins with date of split. sls - sales. t - dividend paid in stock in preceding 12 months, estimated cash value on ex-dividend or ex-distribution date. u - new yearly high. v - trading halted. vi - in bankruptcy or receivership or being reorganized under the Bankruptcy Act, or securities assumed by such companies. wd - when distributed. wi - when issued/ ww - with warrants. x - ex-dividend or ex-rights. xdis - ex-distribution. xw - without warrants. y- ex-dividend and sales in full. yld - yield. z - sales in full.

INTERNATIONAL FUTURES

Jan. 26, 1996

Grains

	High	Low	Close	Chge	Opint
CORN (CBOT) 5,000 bu minimum- dollars per bushel					
Mar 96	3.58½	3.54	3.57½	+0.01¼	18
May 96	3.61	3.57	3.60¼	+0.01½	117,915
Jul 96	3.56	3.52¼	3.55¼	+0.01¾	89,737
Sep 96	3.05½	3.02¼	3.05	+0.02¼	25,968
Dec 96	2.92¼	2.88½	2.91½	+0.02¾	54,179
Est. sales N.A. Thu's. sales 68,684					
Thu's open int 493,088 up 1645					
SOYBEAN MEAL (CBOT) 100 tons- dollars per ton					
Mar 96	231.20	228.10	230.60	+0.50	45,301
May 96	233.40	230.60	233.10	+0.50	19,710
Jul 96	233.50	231.30	233.20	+0.10	17,421
Aug 96	232.00	230.40	231.90	+0.40	3,077
Sep 96	227.00	225.50	226.90		2,356
Oct 96	219.00	217.00	217.60	-1.40	1,307
Est. sales N.A. Thu's. sales 36,532					
Thu's open int 93,810 off 2192					
SOYBEAN OIL (CBOT) 60,000 lbs- dollars per 100 lbs.					
Mar 96	24.29	24.12	24.14	+0.03	43,548
May 96	24.65	24.46	24.46	+0.01	18,828
Jul 96	24.99	24.80	24.82	+0.03	13,428
Aug 96	25.06	24.95	24.95	+0.02	3,848
Sep 96	25.23	25.10	25.10	+0.05	1,992
Oct 96	25.35	25.20	25.28	+0.05	1,632
Est. sales N.A. Thu's. sales 11,158					
Thu's open int 90,419 off 580					
SOYBEANS (CBOT) 5,000 bu minimum- dollars per bushel					
Mar 96	7.38½	7.20¼	7.24½	-0.01	89,311
May 96	7.35½	7.27½	7.31½	-0.00½	31,986
Jul 96	7.38½	7.31	7.35	-0.00¼	31,848
Aug 96	7.34¾	7.28½	7.31	-0.01¾	2,902
Sep 96	7.11½	7.08	7.08½	-0.00½	2,704
Est. sales N.A. Thu's. sales 64,366					
Thu's open int 196,704 off 1101					
WHEAT (CBOT) 5,000 bu minimum- dollars per bushel					
Mar 96	5.07	4.93	5.06¾	+0.16	51,159
May 96	4.72	4.62	4.71½	+0.11	11,355
Jul 96	4.34	4.25½	4.32¾	+0.07¼	32,996
Sep 96	4.34	4.27½	4.33	+0.05½	6,646
Est. sales N.A. Thu's. sales 18,929					
Thu's open int 185,070 off 620					

Livestock

	High	Low	Close	Chge	Opint
CATTLE (CMER) 40,000 lbs.- cents per lb.					
Feb 96	63.77	63.00	63.05	-0.35	21,210
Apr 96	63.85	63.15	63.20	-0.32	25,148
Jun 96	61.30	60.95	60.97	-0.05	13,401
Aug 96	60.50	60.35	60.47	+0.15	5,920
Oct 96	61.77	61.55	61.57	-0.18	5,597
Dec 96	61.80	61.60	61.75	+0.03	2,874
Est. sales 13,006 Thu's. sales 17,577					
Thu's open int 74,702 up 944					
FEEDER CATTLE (CMER) 50,000 lbs.- cents per lb.					
Mar 96	57.40	57.00	57.02	-0.03	7,811
Apr 96	57.65	57.25	57.25	+0.05	3,733
May 96	58.25	57.75	57.80	-0.05	2,455
Aug 96	59.50	58.95	59.12	-0.08	3,489
Sep 96	59.17	58.75	58.85	-0.20	491
Oct 96	59.20	58.90	58.95	-0.15	566
Est. sales 1,738 Thu's. sales 2,880					
Thu's open int 20,602 up 162					
Hogs-Live(2/97 Lean) (CMER) 40,000 lbs.- cents per lb.					
Feb 96	46.95	46.30	46.47	+0.02	8,312
Apr 96	45.37	44.65	44.77	-0.18	11,894
Jun 96	50.55	49.80	49.87	-0.28	7,112
Jul 96	49.50	48.82	48.82	-0.23	2,237
Aug 96	48.10	47.95	47.75	-0.07	3,311
Oct 96	44.20	43.85	43.85	-0.30	1,701
Est. sales 7,367 Thu's. sales 8,292					
Thu's open int 36,335 off 970					
PORK BELLIES (CMER) 40,000 lbs.- cents per lb.					
Feb 96	57.02	55.10	56.60	+1.58	3,437
Mar 96	56.85	55.00	56.30	+1.33	1,457
May 96	57.15	55.50	56.65	+1.48	1,228
Jul 96	57.00	55.90	56.77	+0.83	886
Aug 96	54.50	53.70	53.90	+0.75	247
Est. sales 2,714 Thu's. sales 2,914					
Thu's open int 7,455 up 32					

Food

	High	Low	Close	Chge	Opint
COCOA (NCSE) 10 metric tons- $ per ton					
Mar 96	1281	1265	1266	-2	33,830
May 96	1302	1287	1287	-4	24,038
Jul 96	1323	1311	1311	-3	9,233
Sep 96	1345	1331	1331	-2	9,572
Dec 96	1376	1367	1364	-4	8,840
Est. sales 9,548 Thu's. sales 9,351					
Thu's open int 93,277 up 1077					
COFFEE C (NCSE) 37,500 lbs.- cents per lb.					
Mar 96	117.50	109.70	116.95	+5.38	14,721
May 96	116.10	108.45	115.65	+5.20	6,866
Jul 96	115.00	107.75	114.70	+5.20	2,989
Sep 96	114.80	106.75	114.00	+5.20	1,436
Est. sales 14,280 Thu's. sales 8,257					
Thu's open int 27,353 off 103					
SUGAR-WORLD 11 (NCSE) 112,000 lbs.- cents per lb.					
Mar 96	12.22	11.72	12.19	+0.47	56,000
May 96	11.41	11.07	11.38	+0.31	31,721
Jul 96	10.52	10.25	10.39	+0.15	20,954
Oct 96	10.38	10.01	10.12	+0.11	21,375
Est. sales 50,552 Thu's. sales 17,661					
Thu's open int 145,412 off 382					
ORANGE JUICE (NCTN) 15,000 lbs.- cents per lb.					
Mar 96	118.20	116.90	117.10	-0.35	15,406
May 96	119.80	118.70	118.90	-0.35	3,980
Jul 96	121.10	120.60	120.60	-0.55	1,385
Sep 96	123.00	122.75	122.10	-0.40	1,143
Est. sales N.A. Thu's. sales 2,097					
Thu's open int 23,962 up 351					

Metals

	High	Low	Close	Chge	Opint
GOLD (NCMX) 100 troy oz.- dollars per troy oz.					
Jan 96			405.80	-0.80	
Feb 96	409.80	405.20	405.80	-0.90	62,674
Mar 96	409.50	406.80	407.00	-0.90	9
Apr 96	412.00	407.50	408.60	-0.80	67,855
Jun 96	414.00	410.00	410.60	-0.70	28,538
Aug 96	412.90	412.70	412.20	-0.70	10,328
Oct 96			413.70	-0.70	
Dec 96	417.50	415.00	415.30	-0.60	13,243
Est. sales 65,000 Thu's. sales 104,123					
Thu's open int 225,679 up 4879					
HI GRADE COPPER (NCMX) 25,000 lbs.- cents per lb.					
Jan 96	117.50	116.60	117.15	-0.75	1,068
Mar 96	114.00	112.60	112.90	-0.70	28,613
Apr 96	111.80	111.50	111.60	-0.65	944
May 96	111.70	110.60	110.80	-0.35	6,723
Jul 96	109.90	109.10	109.30	-0.45	2,878
Aug 96			108.75	-0.35	446
Sep 96	108.60	108.10	108.05	-0.30	2,582
Oct 96			107.55	-0.30	
Nov 96			107.08	-0.35	261
Est. sales 8,000 Thu's. sales 9,706					
Thu's open int 51,353 up 2371					
SILVER (NCMX) 5,000 troy oz.- cents per troy oz.					
Jan 96	555.0	555.0	551.6	-3.8	
Feb 96			552.3	-5.1	
Mar 96	567.0	554.0	554.5	-4.0	59,991
May 96	570.0	560.0	559.2	-4.1	14,874
Jul 96	575.0	563.5	563.3	-4.1	8,369
Sep 96	574.0	569.0	567.2	-4.1	9,468
Dec 96	584.0	574.0	573.2	-4.1	5,993
Jan 97			575.9	-4.1	2
Est. sales 21,000 Thu's. sales 27,873					
Thu's open int 102,698 up 2595					
PLATINUM (NMER) 50 troy oz.- dollars per troy oz.					
Apr 96	428.90	419.60	422.10	-4.00	20,781
Jul 96	430.00	423.00	423.80	-4.00	2,920
Oct 96	429.00	429.00	425.50	-4.00	1,112
Jan 97			427.10	-4.00	
Est. sales N.A. Thu's. sales 3,609					
Thu's open int 24,867 up 965					

LONDON METALS (LME)

	Close		Previous	
Aluminum (High Grade)				
Spot	1531.00	1532.00	1542½	1543½
Forward	1560.00	1560½	1571.00	1572.00
Copper Cathodes (High Grade)				
Spot	2497.00	2502.00	2548.00	2553.00
Forward	2462.00	2463.00	2497.00	2498.00
Lead				
Spot	720½	721½	733½	734½
Forward	714.00	715.00	726½	727.00
Nickel				
Spot	8060.00	8070.00	8190.00	8200.00
Forward	8170.00	8175.00	8290.00	8300.00
Tin				
Spot	6240.00	6250.00	6305.00	6315.00
Forward	6275.00	6280.00	6340.00	6350.00
Zinc (Special High Grade)				
Spot	1018.00	1019.00	1041.00	1042.00
Forward	1038.00	1039.00	1061.00	1062.00

Financial

	High	Low	Close	Chge	Opint
US T. BILLS (CMER) $1 million- pts of 100 pct.					
Mar 96	95.16	95.11	95.16		10,466
Jun 96	95.47	95.37	95.46	+0.03	6,395
Sep 96	95.59	95.51	95.59	-0.04	749
Dec 96			95.33		2
Est. sales 2,857 Thu's. sales 1,200					
Thu's open int 17,612 up 329					
5 YR. TREASURY (CBOT) $100,000 prin- pts & 32nds of 100 pct					
Mar 96	110-145	109-23	110-14	+ 09	146,321
Jun 96	110-08	109-18	110-08	+ 09	17,057
Sep 96			110-075	+ 09	3,862
Est. sales 49,482 Thu's. sales 51,438					
Thu's open int 167,240 up 247					
10 YR. TREASURY (CBOT) $100,000 prin- pts & 32nds of 100 pct					
Mar 96	114-14	113-07	114-13	+ 15	247,197
Jun 96	113-27	112-22	113-27	+ 15	29,466
Sep 96			113-29	+ 15	5,801
Est. sales 101,000 Thu's. sales 104,011					
Thu's open int 282,464 off 1806					
US TREASURY BONDS (CBOT) (8 pct-$100,000-pts & 32nds of 100 pct)					
Mar 96	120-20	118-18	120-17	+ 30	337,407
Jun 96	120-05	118-05	120-03	+ 30	29,579
Sep 96	119-18	117-25	119-18	+ 30	6,085
Dec 96			119-00	+ 30	1,565
Est. sales 450,000 Thu's. sales 485,733					
Thu's open int 375,939 up 1770					
LONG GILT (LIFFE) £50,000 - pts & 32nds of 100 pct					
Mar96	111-13	110-19	110-26	- 0-17	148,013
Jun96	110-20	110-05	110-03	- 0-17	1,335
Est. sales: 94,751. Prev. sales: 67,985					
Prev. open int.: 149,348 up 3,103					
GERMAN GOVERNMENT BUND (LIFFE) DM250,000 - pts of 100 pct					
Mar96	100.82	100.35	100.45	- 0.37	242,424
Jun96	99.97	99.50	99.71	- 0.39	10,181
Sep96	99.15	99.15	98.86	- 0.39	4
Est. sales: 249,910. Prev. sales: 189,136					
Prev. open int.: 252,609 up 1,718					
10-YEAR FRENCH GOV. BONDS (MATIF) FF500,000 - pts of 100 pct					
Mar 96	122.70	122.16	122.46	- 0.46	
Jun 96	123.14	122.76	122.98	- 0.48	
Sep 96	121.92	121.82	121.78	- 0.48	
Dec 97	120.60	120.60	120.60	+ 20.60	
Est. volume:239,313. Open Int.:153,270					
ITALIAN GOVERNMENT BOND (LIFFE) ITL 200 million - pts of 100 pct					
Mar96	111.37	110.34	111.02	- 0.47	64,732
Jun96	110.35	110.20	110.58	- 0.45	2,866
Est. sales: 70,015. Prev. sales: 61,043					
Prev. open int.: 67,598 up 2,091					
EURODOLLARS (CMER) $1 million-pts of 100 pct.					
Feb 96	94.600	94.570	94.600	+20	17,365
Mar 96	94.690	94.630	94.680	+10	432,403
Apr 96	94.800	94.760	94.800	+10	4,028
Jun 96	95.040	94.930	95.030	+40	441,965
Sep 96	95.190	95.090	95.180	+40	299,827
Dec 96	95.150	95.010	95.140	+60	270,814
Mar 97	95.080	94.940	95.070	+60	187,574
Jun 97	94.940	94.790	94.930	-60	170,157
Est. sales 507,970 Thu's. sales 635,191					
Thu's open int 2,616,701 up 8976					
BRITISH POUND (CMER) 62,500 pounds, $ per pound					
Mar 96	1.5080	1.4950	1.5016	-62	49,448
Jun 96	1.5010	1.4910	1.4988	-62	255
Sep 96			1.4956	-62	5
Dec 96			1.4922	-62	30
Est. sales 15,506 Thu's. sales 11,686					
Thu's open int 49,738 up 1733					
CANADIAN DOLLAR (CMER) 100,000 dollars, $ per Cdn. dlr					
Mar 96	.7259	.7225	.7227	-32	28,695
Jun 96	.7256	.7223	.7226	-31	2,294
Sep 96	.7249	.7225	.7220	-31	637
Dec 96	.7245	.7220	.7213	-32	1,091
Est. sales 8,998 Thu's. sales 11,451					
Thu's open int 32,877 up 3457					
GERMAN MARK (CMER) 125,000 marks, $ per mark					
Mar 96	.6750	.6710	.6722	-11	84,664
Jun 96	.6779	.6747	.6756	-11	3,446
Sep 96	.6808	.6781	.6786	-12	1,358
Dec 96			.6815	-13	73
Est. sales 28,627 Thu's. sales 36,932					
Thu's open int 89,541 up 405					
JAPANESE YEN (CMER) 12.5 million yen, $ per 100 yen					
Mar 96	.009475	.009402	.009439	+19	76,471
Jun 96	.009586	.009545	.009551	+19	3,701
Sep 96	.009664	.009654	.009654	+19	698
Est. sales 16,280 Thu's. sales 24,286					
Thu's open int 81,054 up 472					
SWISS FRANC (CMER) 125,000 francs, $ per franc					
Mar 96	.8399	.8295	.8296	-95	42,732
Jun 96	.8435	.8363	.8368	-97	1,291
Sep 96			.8435	-99	103
Est. sales 19,657 Thu's. sales 21,555					
Thu's open int 44,495 up 279					
3-MONTH STERLING (LIFFE) £500,000 - pts of 100 pct					
Mar96	93.89	93.86	93.88	- 0.01	90,680
Jun96	94.13	94.06	94.11	- 0.01	79,851
Sep96	94.13	94.06	94.12	Unch.	65,227
Dec96	93.97	93.88	93.95	- 0.01	44,324
Mar97	93.73	93.64	93.70	- 0.03	31,769
Jun97	93.48	93.37	93.44	- 0.04	31,042
Sep97	93.26	93.17	93.21	- 0.05	20,965
Dec97	93.05	92.91	92.98	- 0.06	14,080
Mar98	92.87	92.78	92.80	- 0.07	6,990
Jun98	92.66	92.64	92.65	- 0.07	4,829
Sep98	92.53	92.51	92.53	- 0.07	3,648
Dec98	92.47	92.40	92.42	- 0.06	2,639
Est. sales: 64,341. Prev. sales: 45,978					
Prev. open int.: 396,045 up 2,895					
3-MONTH EUROMARK (LIFFE) DM1 million - pts of 100 pct					
Mar96	96.71	96.65	96.70	- 0.01	179,443
Jun96	96.82	96.73	96.80	- 0.04	175,160
Sep96	96.80	96.63	96.74	- 0.08	161,611
Dec96	96.65	96.46	96.56	- 0.12	152,367
Mar97	96.44	96.19	96.33	- 0.15	138,432
Jun97	96.17	95.90	96.04	- 0.17	120,587
Sep97	95.87	95.60	95.71	- 0.20	79,405
Dec97	95.52	95.23	95.35	- 0.21	52,844
Mar98	95.19	94.94	95.05	- 0.20	30,247
Jun98	94.87	94.71	94.78	- 0.16	26,676
Sep98	94.57	94.43	94.49	- 0.17	16,177
Dec98	94.30	94.17	94.19	- 0.18	8,470
Est. sales: 329,991. Prev. sales: 118,632					
Prev. open int.: 1,136,349 up 10,150					
3-MONTH EUROLIRA (LIFFE) ITL 1 million - pts of 100 pct					
Mar96	90.41	90.25	90.39	- 0.08	49,577
Jun96	90.93	90.73	90.89	- 0.09	29,208
Sep96	91.18	91.00	91.18	- 0.04	16,919
Dec96	91.28	91.15	91.28	- 0.05	9,556
Mar97	91.30	91.21	91.27	- 0.08	4,784
Jun97	91.29	91.21	91.27	- 0.07	2,193
Est. sales: 32,401. Prev. sales: 23,609					
Prev. open int.: 112,237 up 1,834					
3-MONTH PIBOR (MATIF) FF5 million - pts of 100 pct					
Mar 96	95.30	95.14	95.27	- 0.05	
Jun 96	95.58	95.45	95.55	- 0.05	
Sep 96	95.68	95.55	95.63	- 0.04	
Dec 96	95.59	95.48	95.54	- 0.05	
Mar 97	95.41	95.33	95.38	- 0.06	
Jun 97	95.22	95.13	95.17	- 0.07	
Sep 97	95.00	94.92	94.96	- 0.07	
Dec 97	94.81	94.67	94.75	- 0.07	
Est. volume:97,142. Open Int.:209,307					

Industrials

	High	Low	Close	Chge	Opint
COTTON 2 (NCTN) 50,000 lbs.- cents per lb.					
Mar 96	88.43	87.35	87.40	-0.34	21,046
May 96	88.05	86.95	87.20	-0.12	12,878
Jul 96	86.80	85.95	86.05	-0.35	8,283
Oct 96	80.55	80.00	80.25	-0.20	1,812
Dec 96	78.40	77.85	78.25		11,822
Mar 97	79.00	79.00	79.00	+0.05	988
Est. sales N.A. Thu's. sales 22,503					
Thu's open int 58,703 up 1185					
HEATING OIL (NMER) 42,000 gal- cents per gal					
Feb 96	51.00	48.90	50.86	+0.34	22,689
Mar 96	50.25	48.60	50.15	+0.38	33,912
Apr 96	48.60	47.15	48.45	+0.22	13,718
May 96	47.20	46.10	47.05	+0.17	7,780
Jun 96	46.75	45.80	46.55	+0.02	9,429
Jul 96	46.75	45.95	46.45	-0.13	5,886
Aug 96	47.30	46.50	47.00	-0.08	3,921
Sep 96	48.00	47.50	47.90	-0.12	2,311
Oct 96	48.70	48.00	48.50	+0.02	1,934
Nov 96	49.50	48.70	49.20	+0.02	2,196
Est. sales 49,981 Thu's. sales 68,730					
Thu's open int 111,505 up 2270					
LIGHT SWEET CRUDE (NMER) 1,000 bbl.- dollars per bbl.					
Mar 96	17.75	17.19	17.73	+0.06	81,999
Apr 96	17.40	16.93	17.36	-0.01	45,442
May 96	17.25	16.80	17.20	-0.01	31,617
Jun 96	17.12	16.77	17.09	-0.02	41,454
Jul 96	17.05	16.77	17.02	-0.01	29,947
Aug 96	17.00	16.80	16.98		17,472
Sep 96	16.98	16.70	16.95	-0.01	16,099
Oct 96	16.93	16.72	16.92	-0.02	12,041
Nov 96	16.88	16.70	16.90	+0.03	13,128
Dec 96	16.92	16.65	16.87	+0.04	32,771
Jan 97	16.85	16.70	16.87	+0.04	12,008
Feb 97	16.85	16.72	16.87	+0.04	7,227
Mar 97			16.87	+0.04	3,974
Est. sales 139,007 Thu's. sales 142,281					
Thu's open int 396,391 up 5481					
NATURAL GAS (NMER) 10,000 mm btu's, $ per mm btu					
Mar 96	2.150	2.005	2.120	+94	25,344
Apr 96	1.970	1.910	1.950	+41	14,919
May 96	1.915	1.880	1.895	+26	13,590
Jun 96	1.875	1.835	1.865	+31	11,003
Jul 96	1.850	1.820	1.835	+16	9,015
Aug 96	1.840	1.815	1.825	+16	8,408
Sep 96	1.830	1.815	1.830	+11	6,771
Oct 96	1.870	1.845	1.860	+2	6,472
Nov 96	1.945	1.930	1.940	-4	4,324
Dec 96	2.050	2.035	2.040	-3	7,649
Jan 97	2.065	2.055	2.060	-3	2,883
Est. sales N.A. Thu's. sales 62,820					
Thu's open int 134,845 off 1485					
UNLEADED GASOLINE (NMER) 42,000 gal- cents per gal					
Feb 96	53.10	51.75	52.85	+0.18	14,182
Mar 96	52.70	51.05	52.40	-0.47	21,643
Apr 96	55.00	53.60	54.60	+0.21	12,799
May 96	54.55	53.30	54.20	-0.26	8,045
Jun 96	54.10	52.90	54.00	-0.76	4,060
Jul 96	53.00	52.20	53.00	-0.61	3,725
Est. sales N.A. Thu's. sales 27,835					
GASOIL (IPE) U.S. dollars per metric ton - lots of 100 tons					
Feb 96	156.25	152.50	155.75	+ 0.50	24,550
Mar 96	151.75	149.00	151.25	- 1.50	16,746
Apr 96	148.50	146.25	148.25	- 2.25	7,846
May 96	146.50	144.25	145.75	- 2.75	3,614
Jun 96	145.75	143.75	145.25	- 2.50	5,129
July 96	145.75	144.75	145.25	- 2.50	4,594
Aug 96	148.00	146.25	146.50	- 2.25	1,574
Sep 96	149.50	148.00	148.00	- 2.00	587
Oct 96	N.T.	N.T.	150.00	- 1.75	516
Est. sales:37,182. Open Int.:68,390 up 330					
BRENT OIL (IPE) U.S. dollars per barrel - lots of 1,000 barrels					
Mar 96	16.55	16.10	16.49	+0.01	67,626
Apr 96	16.22	15.85	16.17	-0.01	28,806
May 96	16.02	15.71	15.98	+0.02	18,350
June 96	15.89	15.60	15.86	+0.02	16,813
July 96	15.83	15.50	15.77	+0.02	8,420
Aug 96	N.T.	N.T.	15.71	+0.02	4,687
Sep 96	15.66	15.63	15.66	+0.01	2,249
Oct 96	15.59	15.59	15.63	+0.02	1,557
Nov 96	15.56	15.55	15.60	+0.03	1,234
Dec 96	15.57	15.52	15.58	+0.04	3,994
Jan 97	15.50	15.50	15.56	+0.04	3,490
Feb 97	15.51	15.51	15.55	+0.04	502
Est. sales: 61,987. Open Int.:157,728 up 4,929					

Stock Indexes

	High	Low	Close	Chge	Opint
S&P COMP. INDEX (CMER) 500 x index					
Mar 96	624.10	616.50	624.10	+3.10	188,520
Jun 96	629.35	623.00	629.35	-4.80	7,276
Sep 96	633.85	627.10	632.85	-4.80	2,818
Est. sales N.A. Thu's. sales 72,789					
Thu's open int 198,868 up 1519					
FTSE 100 (LIFFE) £25 per index point					
Mar96	3752.0	3747.0	3742.0	- 4.0	66,559
Jun96	N.T.	N.T.	3744.5	- 4.0	1,186
Est. sales: 11,355. Prev. sales: 10,200					
Prev. open int.: 67,745 up 152					
CAC 40 (MATIF) FF200 per index point					
Jan 96	1971.00	1936.00	1971.00	+ 21.50	
Feb 96	1979.00	1944.50	1978.50	+ 22.00	
Mar 96	1985.00	1952.50	1985.50	+ 22.00	
Jun 96	1926.50	1935.00	1963.50	+ 21.00	
Sep 96	1949.50	1945.50	1973.50	+ 22.00	
Est. volume:31,289. Open Int.:64,560					

Commodity Indexes

	Close	Previous
Moody's	N.A.	1,449.90
Reuters	2,149.90	2,144.20
D.J. Futures	149.28	149.16
CRB	242.21	241.70

NYSE

Friday's 4 p.m. Close
Nationwide prices, not reflecting late trade elsewhere.
The Associated Press

Continued on Page 14

Jakarta Unveils Plan To Increase Exports

Compiled by Our Staff From Dispatches

JAKARTA — Indonesia unveiled an anxiously awaited economic deregulation package on Friday, cutting import tariffs on 428 items and allowing foreign firms to venture into previously restricted sectors.

Textile industries appeared to get the most help, as tariffs on equipment were eliminated. Import duties also were eliminated for coconut oil, animal feed, leather dyes and equipment inteuded for industrial restructuring.

The government will take similar steps to deregulate the labor, communications, land use, mining and energy sectors of the economy, Industry and Trade Minister Tungky Ariwibowo said.

In an attempt to boost fishing and shipping, the plan exempts a wide variety of ships, fishing boats and tugboats from import duties.

In addition, companies owned by foreign investors will be allowed for the first time to export manufactured goods, as well as agricultural, forestry, fishery and mining products.

Previously, only foreigners in joint ventures with Indonesian partners could export manufactured goods, and they were forbidden from exporting other types of products.

The new measures also will allow Indonesian private companies to open bonded zones, areas exempt from value-added tax, making their goods more competitive.

Previously, only government companies were allowed to run bonded zones.

Slow export growth has been blamed for a rapid increase in Indonesia's current-account deficit. The shortfall more than doubled, to $7.9 billion last year. The government has said that addressing the deficit is a national priority.

Persistent deficits in a country's current account, which measures trade in goods and services as well as certain financial flows, work to undermine the value of a currency.

The initial reaction from the stock market was cool as investors waited for full details of the package to emerge. They had expected the government to assist the ailing forestry and textile sectors to boost their exports.

The Jakarta stock exchange's composite index closed 3.60 points lower at 566.53 points.

While some business leaders praised the plan, analysts said that while changes were a step in the right direction, they would not have a major impact on Indonesia's publicly traded companies.

"From what I can see so far, this one isn't much to write home about," said Michael Watt, a senior portfolio manager at Henderson Financial Management Ltd. in Singapore. "There's been quite a lot of these packages over the last five years, and this is nothing more than part of the routine."

"Foreign investors didn't expect much and they didn't get much," said Joseph Champion, the head of securities sales at GK Goh Securities in Jakarta.

(Reuters, AP, Bloomberg)

China Shuts Out Foreigners

Ban on Share Sales Highlights Split in Beijing

Compiled by Our Staff From Dispatches

SHANGHAI — A ban on the sale of state shares of a company listed in China to a foreign firm reflects divisions in the Chinese leadership over whether and how to sell off national assets, brokers said on Friday.

The China Securities Regulatory Commission banned Friday the sale of both state and "legal-person" shares to foreign companies until regulations to cover such sales are published.

State shares are directly held by the state and legal-person shares are held by institutions, most of them state-owned. Neither type can be traded.

The ban followed the announcement on Thursday that Sichuan Guanghua Chemical Fibre Co., listed on the Shanghai stock market, had sold 35 million state shares, or 60.54 percent of its share capital, to the U.S. chemicals company Nimrod Group. Authorities said deal was illegal.

Brokers said the confusion surrounding the sale reflected both a turf battle between government departments and divisions on the issue of how and whether state assets should be sold.

"With the Securities Law not yet published despite what are said to be 11 drafts, each department has its own agenda on what should be done," one broker said. "Yesterday's confusion was not so surprising."

"The Guanghua deal was approved by the National State Assets Management Administration," he said. "That should have been sufficient. It should be able to decide what should and what should not be sold to foreigners."

The U.S. company made a good offer, he said. The broker said the firm posted a profit of only 1.45 million yuan ($214,644) in the first half of 1995. Nimrod paid 2.1 yuan per share, compared with Sichuan Guanghua's net asset value per share of 1.78 yuan.

Trading in Sichuan Guanghua shares was suspended on Friday for a second day.

Officials at Nimrod, parent of the New York-listed China Industrial (Group) Co., said they had no immediate comment on the announcement.

China Industrial officials said they were puzzled, because the purchase was approved last August by the State Asset Administration Bureau.

"As far as I know, Sichuan Guanghua notified the commission last December," said He Qianhu, who runs the Shanghai branch of China Industrial.

(Reuters, Bloomberg)

Shanghai Cracks Down on Disclosure

Reuters

SHANGHAI — Chinese companies are under fire from brokers and securities authorities for disclosing slowly and selectively information that could affect their share prices, analysts said Friday.

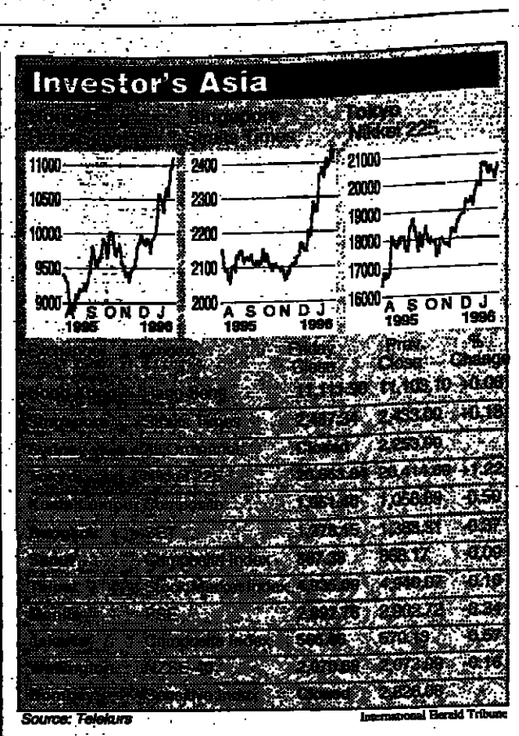
"There is a huge problem in terms of how news is released," said John Crossman, general manager of Jardine Fleming Securities in Shanghai.

The Shanghai stock exchange, whose foreign currency B-share index hit record lows late last year in part due to crumbling investor confidence, held a meeting Tuesday with all 36 B-share companies to discuss disclosure procedures.

The companies were told to improve the procedures and to hire a secretary to the board of directors whose responsibility would be to ensure that all relevant information is released in a timely fashion.

The furor has been fueled by Sichuan Guanghua, which waited five months before revealing Thursday that it had agreed to sell 25 percent of the chemical fibers company.

"This is a great example of how listed companies in China are ignoring the principles of information disclosure," said Fan Cheuk Wan of Standard Chartered Securities. "They just turn a blind eye to the regulations."



Very briefly:

- **China International Trust and Investment Corp.**, Beijing's foreign investment vehicle, said it would need $1 billion for business development up to 2000 and would look to overseas funding for most of the funding.
- **Sinochem**, a Chinese state oil trading company, has imposed strict controls on crude trading of its overseas subsidiaries due to allegedly unauthorized trades.
- **China** plans to expand its radio and television broadcasting facilities to improve transmission quality and extend its reach to remote areas and will seek foreign investment and technical cooperation for the project, the official China Daily said.
- **Foreign** companies in Taiwan will be allowed to issue bonds, beginning Feb. 8.
- **Japanese** companies dominate the Chinese market for consumer electronics, holding 13 of the 50 top 10 market shares in five categories, according to a survey in the China Business Times. But while Chinese companies hold the leading market shares for kitchen appliances, local companies still face stiff competition, the survey said.
- **Sanyo Electric Co.** said profit for the year ended November rose 37 percent, to 15.56 billion yen ($146 million), on sales of 1.08 trillion yen because of cost-cutting measures and strong semiconductors and electronic components sales.
- **New Zealand's Commerce Commission** rejected **Air New Zealand Ltd.'s** plan to buy **Ansett Airways** on grounds that the proposal would allow Air New Zealand to dominate the domestic market.
- **Dome Inc.** of Japan plans to release Picture Mail 3.0 by April, an electronic-mail software package that would provide high-speed communication of multimedia contents over the Internet.
- **Hyundai Motor Co.** of South Korea plans to double its annual auto production to 2.4 million cars by 2000 and become a top 10 global automaker. *Reuters, Bloomberg, AFP*

RIVALS: *Malaysia Turns Competitive*

Continued from Page 9

Last year, a Malaysian-led consortium announced plans to build an oil pipeline and upgrade road and rail links between the Penang Port, on the Malaysian coast at the northern entrance of the Strait of Malacca, and Songkhla in Southern Thailand.

The group said that the "land bridge" project, which has Malaysian government backing, would enable international shippers to bypass Singapore — which has one of the world's largest ports and a huge oil-refining capacity — and cut the sea voyage between Indian and Pacific oceans by more than 1,000 kilometers (620 miles).

Malaysia is also actively promoting an international offshore financial center on Labuan island off Borneo to reduce reliance on Singapore-based banks, fund managers and insurance companies.

Analysts said that Malaysia wanted to bring down its current-account deficit, projected to increase to more than 18 billion ringgit in 1995 from 10.9 billion ringgit in 1994, by cutting its dependence on foreign shipping, banking, insurance and other professional services — many of which are based in Singapore.

Cryptic Ad Sends Firm's Stock Skyward

Compiled by Our Staff From Dispatches

TOKYO — An advertisement in a Japanese newspaper, interpreted by brokers as a coded message, appears to have sent the normally sleepy shares of a fishing company soaring on Friday.

"Nori! Father has collapsed," the ad in Wednesday's Nihon Keizai Shimbun read. "Everyone at work and at home is waiting for your return. Kiyoko."

Chuck Lambert, a salesman at Jardine Fleming, said he thought that investors interpreted "Nori to mean Kanematsu Nissan Norin, collapsed to mean sell and Kiyoko to mean buy Kyokuyo."

Shares in Kanematsu Nissan Norin, a lumber importer, rose 60 yen, or 2 percent, to 2,860 on Friday. Shares in Kyokuyo, the fishing company, jumped 76 yen to 770 yen, its highest level since Jan. 7, 1992. Kyokuyo was the most actively traded issue in Japan.

Traders said Kyokuyo began its ascent following the publication of a series of one-line ads in the Jan. 21, 23 and 24 editions of the Nihon Keizai Shimbun. The stock has risen 40 percent this week.

A Nihon Keizai Shimbun employee refused to say who placed the ad. He said the paper had asked the police to check its legitimacy.

Traders said they assumed it was placed by an Osaka-based speculative group to advise its members.

"Apparently this is the way they send their message to their investors to sell Kanematsu Nissan and buy Kyokuyo," Mr. Lambert said.

Takefumi Suzuki, an analyst with ING Barings, said Kyokuyo's rise was "speculative," and not based on corporate developments.

Company officials were surprised by the ads and perplexed by Kyokuyo's stellar performance. "They're all just rumors," said Hisaki Tada, a Kyokuyo spokesman. "We're still trying to figure it all out." *(Bloomberg, Reuters)*

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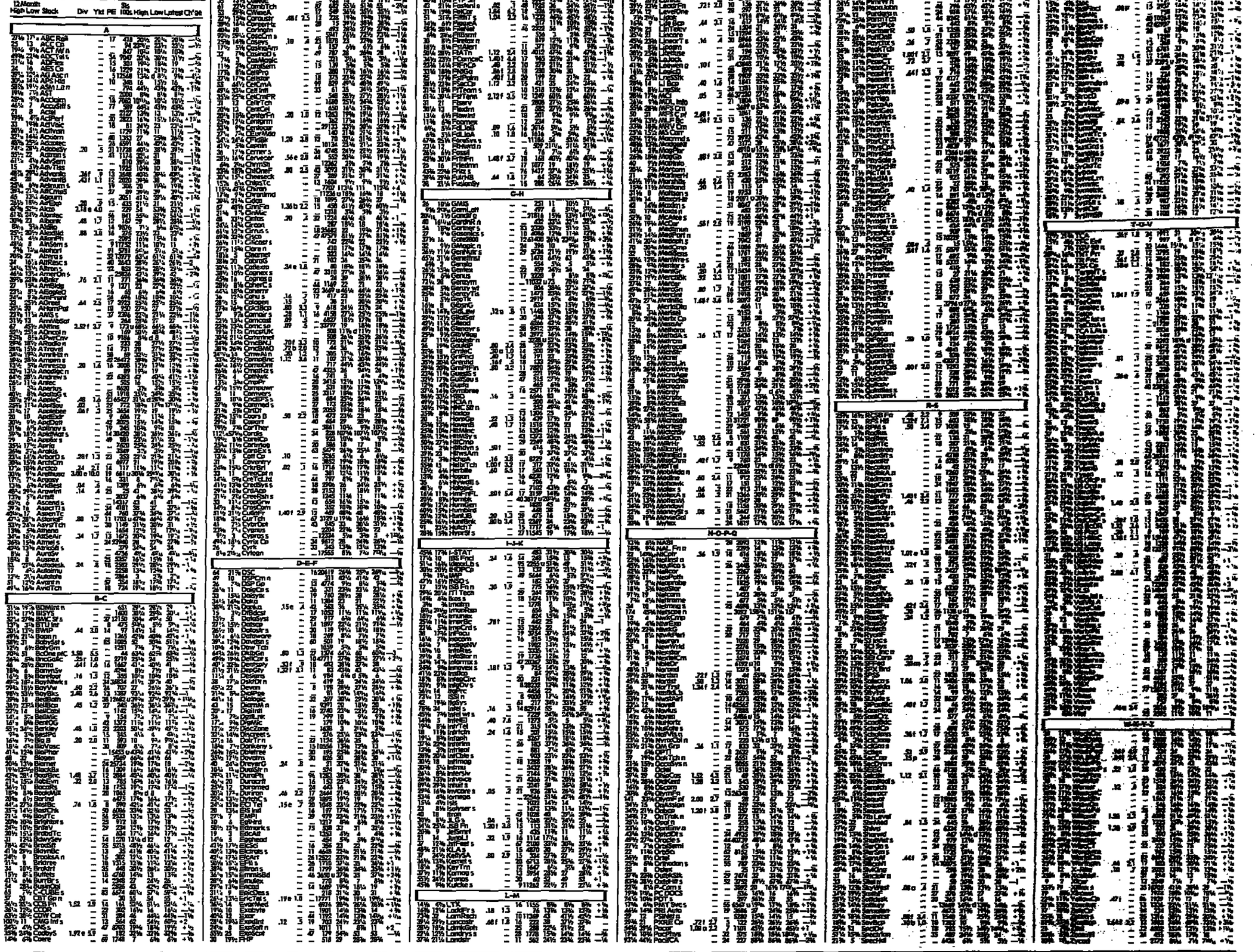

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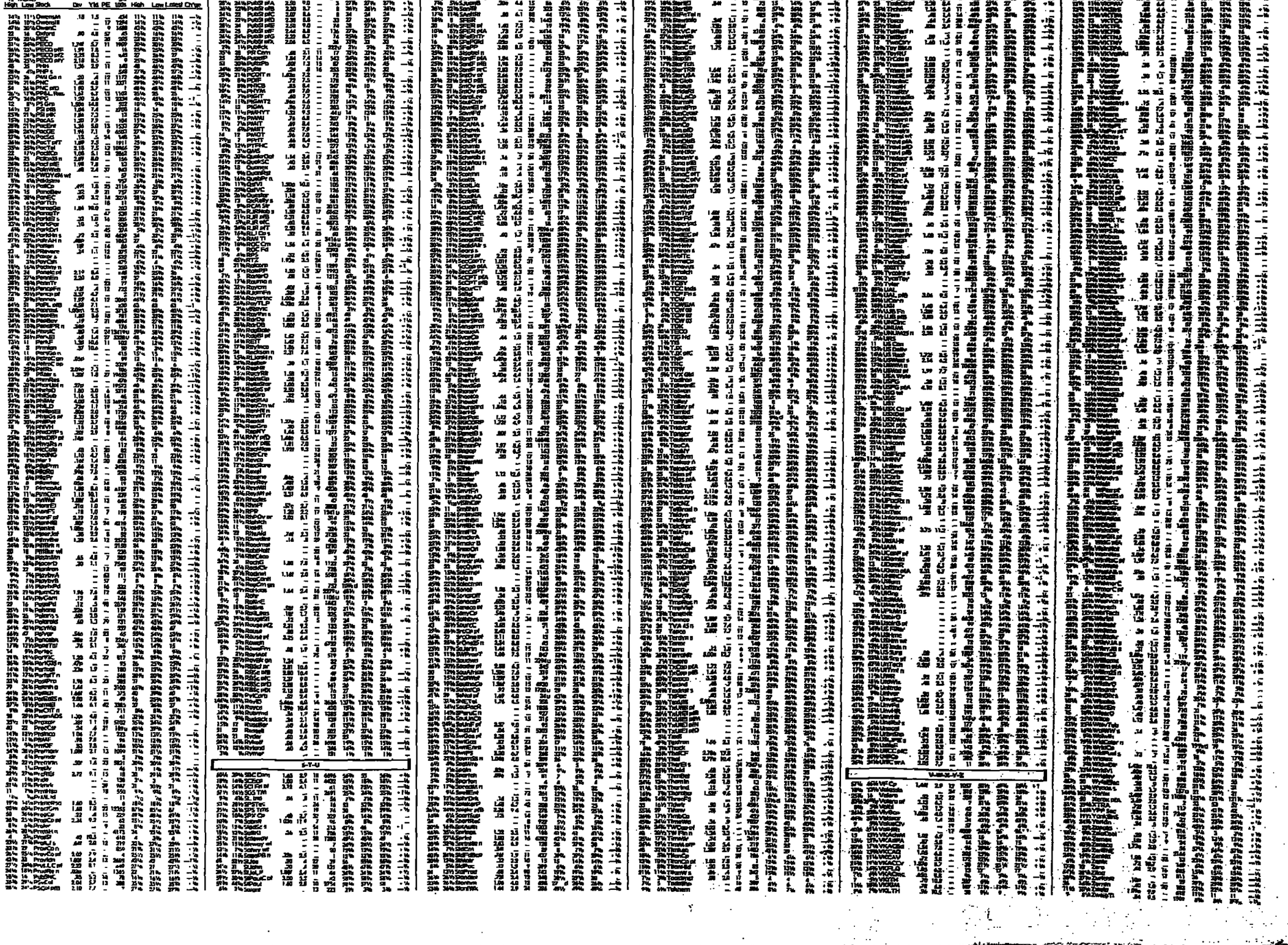

Herald Tribune INTERNATIONAL

THE MONEY REPORT

SATURDAY-SUNDAY, JANUARY 27-28, 1996
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FIRST COLUMN

Pensions: Saved by The Bulls

BEAR this in mind: We live in bullish times. Or rather, times of an unparalleled bull run in equities — the single most important component in professionally run pension funds in most countries with a developed investment industry.

So things should be looking good for pensioners and pension fund managers. This, however, is not the case: The world's pension industry faces crises of demography and ethics. It will do well to come through either unscathed.

The demographic problem is well-documented. It is, simply, that the developed nations are getting older, while the emerging nations are young and getting younger. To ask what this will mean for shares come the year 2025 is to make vague gestures toward a riot of uncertainties. But some argue that unless the young of the developing countries get much richer quite quickly, demand for goods and services — or at least the ability to pay for them — will fall sharply, and share prices with it.

The ethical challenge is twofold. First is the fact that pensions are financial products sometimes sold by people of dubious probity. The low quality of advice and the lack of management supervision of financial planning is only just beginning to emerge. Last week's British regulators' interim report on the mis-selling of pensions underlines a bad situation that would have been worse in a bear market.

The second problem is one of consultancy. Big pension funds seek proof of responsible management by taking investment consultants' advice. Often, the advice is to diversify into international equities. This is nice for the consultants who then charge a further fee to find appropriate fund managers.

Let us hope, for the pensioners' sake, that the bull run continues forever.

M.B.

The Awful Truth About Your Tax-Funded Retirement Plan

By Rupert Bruce

MENTION pensions to a politician and he is liable to remember that messengers get shot. The unpalatable truth that many politicians are afraid to tell voters is that ticking away under their state pension funds is a time bomb that could blow a hole in the pensions of many of today's workers.

In France, Germany, Italy and Japan state pensions are particularly in danger. Calculations by the Organization for Economic Cooperation and Development show that as the ratio of pensioners to workers grows in the next century, these countries will be faced with a pension funding crisis unless, in the meantime, they embrace painful policies to head it off.

What this means for today's workers is that saving for retirement is important as never before. The people for whom the state may not be able to provide are those in their 20's, 30's and 40's. It may be that governments sort out their financial problems in good time, but the prudent would be wise to privatize their own pension funding just in case the politicians do not put their houses in order.

It is easy to see why today's politicians are unwilling to help out tomorrow's. The list of measures that could be used to defuse the bomb is not going to win elections: Giorgio Radaelli, senior economist at the investment house Lehman Brothers, lists raising the retirement age, lowering the present level of pensions, increasing the level of contributions, even increasing the working population by relaxing immigration controls. Hardly the stuff of popular politics.

At the heart of the problem is the practice of robbing Peter to pay Paul. Under the Pay As You Go system embraced by most welfare states, today's workers pay yesterday's workers' pensions out of their taxes. In return, of course, they are pledged state pensions when they retire. But those pensions will be paid by tomorrow's workers, and there may not be enough of them to bear the burden.

The OECD bases its ominous forecasts on predictions of population growth and a declining work force in seven of its member countries as their populations age. In the United States, the working-age population is forecast to grow until 2020, decline slightly between 2020 and 2035, and then grow modestly once more. Sharp drops are predicted over the next three decades in Japan, Germany and Italy, and moderate falls in France and Britain.

In all seven countries, however, the ratio of pensioners to workers is expected to double by the decade from 2030 to 2040 before stabilizing or falling off slightly.

The United States, according to the OECD, does not have such a huge pension funding problem, although it does have the unique problems of financing its health-care system. Still, U.S. pension payments are likely to remain below 10 percent of gross domestic product.

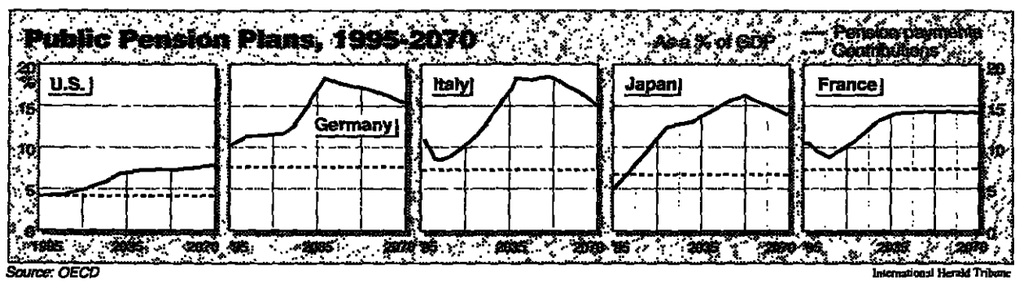
In Japan, Germany and Italy, the problem of funding pensions is greatest. Japan's rapidly aging population will create funding problems as early as 2015, while France, Italy, and Germany will do so some ten years later.

To show how great the potential crisis is, the OECD predicts that the current system will lead to unsustainably high taxes for future generations. In Italy, for example, future generations would have to pay taxes five times as great as today's.

Governments have started chipping around the edges of these problems. In many countries the retirement age has been edged upwards. In addition, governments have started to encourage higher saving for retirement. In Britain, for example, tax breaks were introduced to promote private pension saving in the 1980s. In Italy, measures were introduced in 1995 to push retirement out to 65 or older, and encourage saving in private pensions. And in the United States, further tax breaks are under consideration.

Nonetheless, Lehman's Mr. Radaelli believes governments can go much further than they have. "Clearly governments can go further in making these private schemes even more fiscally advantageous," he notes.

The encouragement of saving through private schemes is likely to foster a growth in the number of private pension schemes available. In Italy it has already spawned an increase in the number of plans, while in Britain there has been considerable growth since the mid-1980s.



Source: OECD
International Herald Tribune

Some governments are even considering making contributions to private plans compulsory. In Britain, the Labor Party has been considering running such a private plan alongside the state plan.

In some of emerging markets such two-track plans have been in place for some time: Chile's military dictatorship under General Augusto Pinochet introduced compulsory private pensions by decree in 1981. Although the Chilean system has received some criticism lately, an advantage is that each saver has his own pot of savings: There can be no robbing Peter to pay Paul.

Workers who do decide to take matters into their own hands and start saving should be careful, since choosing a pension is a long-term and important decision. Trevor Llanwarne, a partner at accountants Price Waterhouse & Co., warns expatriates in particular to check that a private plan does not carry a penalty if it is discontinued after a short period.

Pension Investment

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Why the EU Single Market Isn't – Yet

By Iain Jenkins

HANS Martin Bachmann, a German national living in Belgium, had a simple problem that went to the heart of the concept of the free movement of people within the European Union: All he wanted to do was to continue contributing to a German retirement plan while living in Belgium.

One of his reasons for buying the German pension policy in the first place was that he could offset his contributions against tax. The problem was that once he moved to Brussels, the Belgian tax authorities would not allow him to offset his contributions to a German retirement plan against tax on his earnings that were now in Belgium.

Mr. Bachmann took the Belgians to the European Court of Justice, arguing that their attitude would stop people nearing retirement from taking jobs in other countries. He lost in a ruling that is seen as a body blow to the creation of the single European market, highlighting the need for action by the European Commission in Brussels to come up with unified pension legislation.

For the time being, people who move countries within Europe are often severely penalized. The situation is worse for people who stay abroad for more than five years and are either self-employed or change company. At worst, they risk losing their pension rights altogether. At best, they can no longer contribute to their domestic plan.

So far, the commission, the EU's executive body, has not been able to come up with a way of allowing portable pensions in Europe. Two commission proposals — one to allow EU nationals to buy retirement plans in other EU countries, the other to open up pension plans to cross-border investment — foundered on national opposition, ostensibly to pension money leaving its tax jurisdiction of origin.

But many people think the real problem with the commission's proposals is that they would have enabled people to opt out of their costly state plans. It would also have enabled companies to have set up pan-European funded pension plans, such as those in Holland, Ireland and Britain.

"In many countries with pay-as-you-go schemes, it could have created havoc," says Bill Birmingham, head of the benefits service at National Association of Pension Funds in Britain, the biggest industry association in Europe. "Who would have paid for the liabilities of those about to retire if people in employment were opting into funded schemes?"

Koen de Ryck, head of the European Federation for Retirement Provision in Brussels, says that one solution would be to allow people to pay tax "at the border" when they transfer their domestic pension to another country within the EU, so that the retiree would not owe tax on the money when the policy matured.

The Money Report is edited by Martin Baker

IRA Holders Grapple with IRS Rules

By Judith Rehak

FOR years, retirement planners in the United States have been preaching the virtues of opening Individual Retirement Accounts, or IRAs, and making an annual contribution of $2,000.

Now, growing numbers of Americans who took that advice and are nearing retirement age, or even past it, find themselves grappling with how to make withdrawals from their IRAs without incurring penalties from the Internal Revenue Service.

Most IRA holders know that if they take out money before they reach the age of 59½, it will be taxed at their regular rate, plus a 10 percent penalty. Once they have passed 59½, the amounts they withdraw are taxed at their regular rate, with no penalty.

But things get a lot more complicated when IRA holders reach the age of 70½, when the IRS requires them to select a distribution option and start withdrawing a minimum amount each year.

Moreover, the unlucky folks who take out less than the minimum will be socked with a staggering 50 percent penalty on the difference. For example, if the minimum withdrawal is $5,000 annually, and only $2,500 is taken out, the IRS will take $1,200.

Worse, warn the experts, the ground rules for figuring out distribution options and annual withdrawals are a veritable minefield. And once you have made your choice, the IRS says it is irrevocable.

"People recognize that there are big consequences of doing it wrong, and they're very concerned," says John Michel, director of retirement products for Merrill Lynch & Co., which has some $90 billion in IRA assets.

At Charles Schwab, the discount brokerage that has some $38.2 billion in IRAs, the first wave of 70-year-olds is just beginning to hit. "The number of people we send 'reminders' to when they turn 70 doubled from 1994 to 1995," says Beth Stelluto, director of IRA marketing.

Schwab explains the withdrawal process in a question-and-answer format so account holders can figure out the amount themselves, but it also offers to "do the math for them" if they wish. Last year, "about five times as many asked us to do it, as did it themselves," Ms. Stelluto says.

"There are so many subtleties, that even if we give IRA holders all the information it's hard to understand," says Steve Norwitz, an executive with T. Rowe Price, the Baltimore fund manager, and author of its guide to retirement planning. "It's like the story of Goldilocks. It can't be too hot, it can't be too cold, it's got to be just right."

Rowe Price will calculate withdrawals via a computer program, and makes sure the minimum is taken out each year. But like most IRA sponsors, it urges its retirement account holders to consult tax advisers and estate planners for assistance in decision-making.

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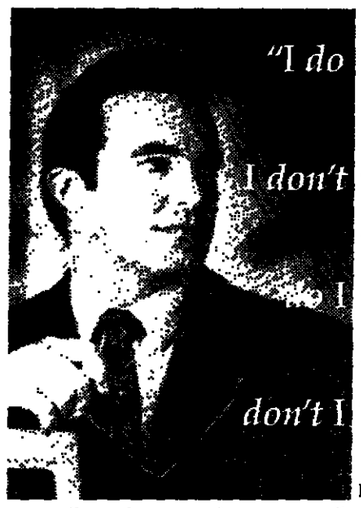

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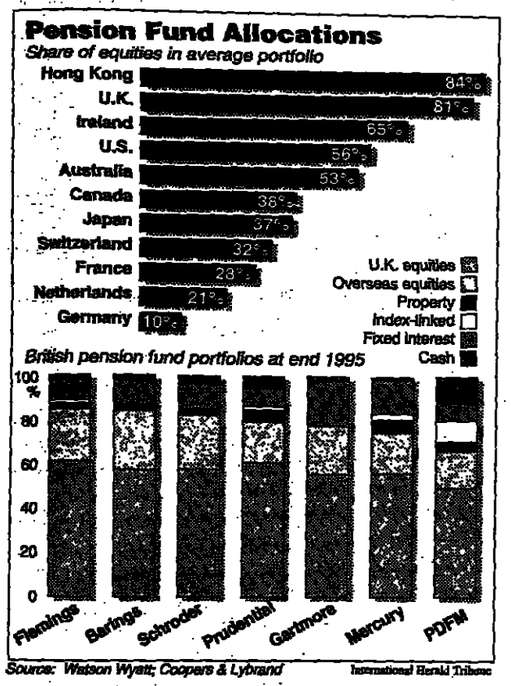


Source: Watson Wyatt; Coopers & Lybrand International Herald Tribune

New Vehicles Simplify Do-It-Yourself Pension Planning

By Digby Larner

DESPITE the frequently uttered caveats about the legal, fiscal and administrative difficulties of building your own retirement fund, some analysts say doing it yourself is the best way to secure value.

"The whole business is much simpler than people say," says Bob Young, a pensions specialist at British stock broker Christows Ltd.

"Investors want to see their savings grow over a given period in order to provide a good income at a certain date," he says. "They are as well equipped to do that for themselves as they are for any other type of investment."

"What puts people off is that pensions evoke an emotional rather than a practical response from many investors," he adds. "Because they may eventually be entirely dependent on their pension for income in retirement, investors feel it needs specialized care."

Instead, he says, pension investors should take a more proactive role in organizing their retirement income, enabling them to tailor a portfolio to their specific needs and maybe even producing a better return than a dedicated pension manager can.

Broadly speaking, there are two ways investors can be involved in the daily management of their pensions, both of which offer differing degrees of control.

They can either go the whole way and build their own portfolio, or they can opt for partial self-invested plans — sometimes known as hybrids. The advantage with a hybrid is that the investor can tap into the benefits of having a professional manager but still have a good deal of leeway to play around with at least a portion of the fund.

The manager will be aware of what investments are allowed according to local pension rules and can keep the investor up to date with any taxation changes. The manager will also carry the often considerable administration burden that comes with pension investment.

Self-invested pensions are growing in popularity, says Peter Jordan, pensions marketing manager with Skandia Life in Britain. He says that since private pension plans were made widely available in Britain in the late 1980s, investors have become more enthusiastic about deciding how their pension money is invested.

"The market here is more advanced and more diverse than in other European countries, mainly because other European equity markets are less developed than in Britain," he says.

But he warns that pension investors running their own portfolios need to be certain of their reasons for doing so. "It's a tempting idea to have freedom and control over your investments," he says. "But dealing costs can be high and diversification low. Running a relatively small portfolio could be self-defeating."

At the other end of the scale are investors who prefer to build their pension portfolios from scratch. These are usually either high-net-worth investors or people who have already amassed a large fund for their retirement.

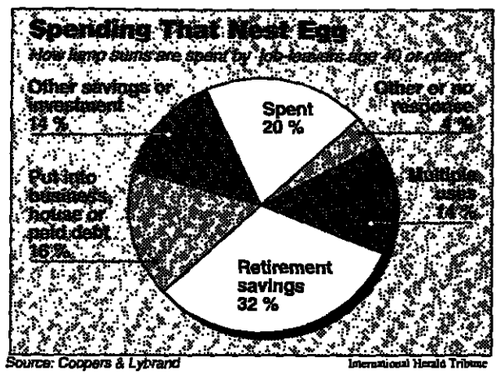
Few choose to manage their own investments purely for fun, says Mr. Young. Usually they are looking for a strategy that traditional pension fund managers are unable to provide.

"Take pension funds in Britain for example," he says. "Almost all of them are invested 90 percent in British stocks. But to get real growth you ought to invest internationally. If you're getting 8 percent growth in China, what's the point of sticking with 3 percent in Britain?"

He dismisses the argument by some fund managers that keeping assets and liabilities in the same currency is preferable to risking adverse shifts in currency values:

"It depends on what country you plan retiring to, but it certainly doesn't wash in Britain. The chances of sterling soaring in value are extremely remote. In the meantime, people invested in some emerging markets are getting the benefits of high growth plus currency appreciation."

Building a private pension portfolio also allows investors to consider a broader range of investments. Private client advisers say they are frequently asked to include collectibles and other valuable assets, such as yachts and racehorses, as part of their clients' pension arrangements. However, tax rules usually exclude anything other than traditional equity and debt instruments as tax-qualifying pension investments.



Source: Coopers & Lybrand International Herald Tribune

Optimization Wins A New Following

By Barbara Wall

IN an ideal world, pension funds would be investing most or all of their assets in a mixture of domestic and foreign equities to maximize investment returns and diversify risk.

In the real world, however, different attitudes towards risk, regulatory constraints and currency issues render this strategy, called optimization, impractical — and, some would say, even dangerous.

Research by Watts & Wyatt Investment Consulting shows that continental European pension funds lag behind their U.S. and British counterparts in terms of their exposure to equities. "The more mature pension fund markets tend to have a higher concentration of assets in equities," explained Tessa Kohn-Speyer, a Watts & Wyatt researcher.

"However, cultural attitudes towards investment risk may also explain differences in the way pension fund assets are distributed. European funds have exhibited a marked reluctance to change their investment behavior. They prefer to stick with investments they know and trust, such as domestic bonds. The picture is changing, but only gradually."

Received wisdom has it that the proportion of portfolio weightings dedicated to equities will continue to increase in most markets as fund managers face growing pressure from trustees to achieve strong investment performance. One actuary reports that Hong Kong's equity weighting has increased by around 20 percent in the past two years because trustees have insisted that fund managers must at least beat salary inflation levels.

Robert Ross, a director with Frank Russell Investment Consulting in England, believes that within Europe the Dutch will be among the most aggressive equity investors in the next decade. Dutch funds currently invest around 20 percent of their portfolios in equities, with around half of this investment in international equities.

Mr. Ross believes the equity portion could increase by as much as 50 percent in the future, with a significant percentage of this portion in international equities. "Dutch funds are already investing heavily in the emerging economies. They need to diversify because of the thinness of the Dutch stock market," he said.

The equity weighting for U.S. pension funds is expected to increase from 56 percent to around 64 percent in the next 10 years, according to some reports. "As a result of a fairly prolonged period of low interest rates in the U.S., funds have started to reevaluate their liabilities. This has prompted most funds to increase their exposure to equities in order to boost performance levels," Ms. Kohn-Speyer said.

Tom Pipich, a principal with Buck Consultants in New York, does not expect U.S. pension funds to increase their holdings in overseas equities because of the poor performance of international markets in relation to the U.S. market. He does, however, expect funds to start diversifying into other areas such as smaller company stocks in order to get better value.

For a typical U.S. pension fund with both active and retired participants, Mr. Pipich suggests an optimal asset mix of two thirds equities and one third bonds.

"The strong yen has stopped Japanese pension funds from diversifying into overseas equities," Mr. Ross said. "Since returns from domestic equities have been fairly disappointing, most funds have opted to invest the bulk of their portfolio in domestic bonds. This scenario is unlikely to change much."

Research by the international accountants Coopers & Lybrand shows that the pension fund portfolios managed by the big British firms look remarkably similar. With the exception of Gartmore and Phillips & Drew Fund Managers, all have a high equity and low bond content.

John Shuttleworth, a senior actuary with Coopers & Lybrand in London, said British fund managers were more concerned about their own risk of underperforming against other managers, than managing client risk.

"PDFM is one of the few managers that has consistently structured pension fund investments to minimize the client's downside risk," he said. "The company has not only resisted the herd instinct, in taking an independent stance it has still managed to be one of the top performing U.K. managers in the past decade."

Mr. Shuttleworth believes that a decade from now the asset distribution of British pension funds will have changed dramatically. He said there will be less investment in overseas equities, due to the advent of a sterling-based minimum funding requirement, and more investment in index-linked securities because of the increased maturity of many pension plans.

BRIEFCASE

New Mercury Fund Targets Recovery in Eastern Europe

Mercury Asset Management is betting on a recovery in some emerging yet long-dormant markets with its new Eastern European Fund, a Deutsche mark-denominated fund that intends to concentrate on shares in Poland, Hungary and the two halves of what used to be Czechoslovakia.

The fund is expected to hold 50 stocks and will concentrate on smaller companies that might offer better value than the larger ones already held in many Western portfolios. The initial weightings are projected to be 40 percent in Poland, 15 percent each in Hungary and the Czech Republic, 10 percent in Slovakia and the rest elsewhere or in cash.

The minimum investment in the Luxembourg-listed fund is 7,000 DM ($5,000). The initial sales charge is 5 percent and there is an annual 1.5 percent management fee.

For further information, phone Mercury in Luxembourg at (352) 34 20 10 5200.

Information to Fill the Benefit Gap

By Ann Brocklehurst

AN expatriate who has worked in several different countries often needs a lot of information to sort out a retirement planning situation that is more complicated than the norm.

"There are often benefit gaps which develop if they move three or four times," says Terry Doyle, director of international human resources consulting for the accounting firm Coopers & Lybrand. Ms. Doyle works with multinational companies to help them realize that "employees will suffer benefit loss and that little pieces of frozen benefit are not sufficient to provide an adequate retirement pension."

Thomas Rowley, a New York-based director of the international human resources consulting firm William M. Mercer, says filling in pension gaps and making up for lost benefits and income "shouldn't be that complicated, but it is."

In fact, he says, with the number of international transfers growing again after several years of decline, the situation is actually getting worse: "The U.S., Australia and Hong Kong get lots of transfers and they all have views on what it means to be a member of a pension plan in their jurisdiction. And they're all different."

For employees who make a career of country-hopping, never spending long enough anywhere to accumulate a proper pension, companies will often set up an offshore or third-country-national plan — many of which, Mr. Rowley said, take the form of an unfunded promise to pay at some future date.

As the United States shifts responsibility for pension planning away from the employer and onto the employee, many companies are taking steps to "help the employee become more educated," Mr. Rowley said. While the trend is primarily an American phenomenon, it is spreading to Britain, Netherlands, Belgium and Australia.

Several pension-planning services and products are available, each with its strong points:

- **Financial advisers.** The big international accounting firms offer in-house financial planning services. Independent advisers with in-depth knowledge can be a valuable resource as well, but be careful: The goal of many of those dispensing financial advice is actually to sell products. Personal referrals, as with lawyers and accountants, are always a help.
- **Lawyers and accountants.** Multinational companies can often suggest a pension expert to consult with employees, and sometimes the company will even foot the bill.
- **Books.** Their expertise is often limited to the tax rules and regulations of one country, so it makes sense to choose carefully — and locally.
- **Software products.** The world's best selling personal finance program is Quicken, published by Intuit Corp. It will track both private and public pension contributions, among other factors. The deluxe version offers a question-and-answer session with two well-known U.S. experts who offer personalized advice.

Retiring Baby Boomers Face a Key Issue: Does Age Matter?

By Conrad de Aenlle

AMERICA'S baby boomers are growing older and thinking ahead to a retirement that suddenly is not so far away. Fund-management companies want to make sure that the boomers invest enough of their savings with them so that they may grow old and prosper together.

Several of the larger ones — including Wells Fargo & Co., T. Rowe Price, Vanguard and PaineWebber — have introduced series of funds that adjust the allocation of their assets with a particular retirement date in mind, or else offer portfolios of varying risk and allow retirement savers to decide which is right for them.

Wells Fargo's LifePath funds are targeted to people who anticipate retiring in one of five years, set a decade apart, from 2000 to 2040. As stocks historically provide the highest returns but are also the most volatile conventional investment, the equity weighting is greatest in the 2040 portfolio and shrinks in the funds with nearer retirement dates. In those, bonds take up the slack, with cash instruments being more than a negligible portion only in the 2000 fund. As the years go by, each of the funds is expected to decrease the portion of its assets kept in equities.

The LifePath funds, which carry no sales charges, performed well last year, with the 2000 fund up 17 percent, more than the average bond fund, and the 2030 and 2040 funds rising by 31 percent and 32 percent, a bit more than the average growth-and-income stock fund. The 2010 and 2020 funds, with their mixed portfolios, showed gains in the mid-20 percent.

Yet the LifePath approach has its critics. The idea that a single fund, held for many years, can meet the needs of people who may have nothing in common other than the year of their birth is just too pat, they say.

"The difficulty we have with life-cycle funds is they focus on age without considering other characteristics," said Jon Teall of Lipper Analytical Services, an investment research firm. "If we're both 50 years old and your parents died and left you a $10 billion estate, while mine are still alive and I have to take care of them, our needs are going to be different."

T. Rowe Price created three portfolios to form its Personal Strategy Funds. Each has a different allocation among stocks, bonds and cash, with investors free to pick the one they feel most comfortable with, whatever their projected retirement date. "When it comes to investing, one size does not fit all," says a T. Rowe Price spokesman.

The funds did about as well last year as the LifePath funds, with Personal Strategy Growth rising by 31.43 percent and the Balanced and Income funds gaining 28.15 percent and 24.71 percent, respectively.

The High Price of Career Mobility

By Aline Sullivan

MOVING abroad can be hazardous to your long-term wealth. Expatriates' pensions are often worth significantly less than those of their more firmly rooted colleagues, even if their salaries and length of employment are identical.

Part of the reason is that state, corporate and private pensions are difficult to maintain abroad. The home country may not allow absent employees to retain membership in a pension plan, and the host country may refuse tax concessions on contributions.

But joining a new pension plan can be just as perilous. In most countries, contributions must be made for a considerable length of time before benefits become payable. Five years of work in Britain, for example, would not entitle employees to a state pension. In Germany, even nine years would not qualify for a corporate pension.

Employees of small companies are often the hardest hit, according to Bob Sperl, a consultant at actuaries Watson Wyatt in London.

"Most big companies have offshore pension systems that are geared to executive mobility," he says. "People in smaller companies have, at best, a promise that any loss in benefits or tax liabilities will be made up to them. But that will be forfeited if they change jobs." This promise also becomes worthless if the company goes bust.

A number of companies have deposited their pension funds offshore, making it the responsibility of the individual employee to disclose payments to and benefits from these accounts to the tax authorities of his home and host governments. A similar strategy has been adopted by many expatriates managing their own pensions.

Going offshore can ease the tax burdens of some expatriates but generally not of Americans and other nationalities who are required to disclose worldwide income, Mr. Morgan warned.

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WORLD ROUNDUP

Botha Tests Positive

BOXING South Africa's Frans Botha has tested positive for steroids in his second urine doping test and could lose his International Boxing Federation heavyweight title as a result.

Bob Lee, president of the IBF, said Friday that the second test was performed this past week in Los Angeles.

Botha defeated Germany's Axel Schulz for the vacant IBF crown in Stuttgart on Dec. 9 on a controversial 12-round split decision that sparked a riot in the ring. After the bout, German Boxing Federation president Alois Teuber protested, saying that Botha tested positive for Nandrolene, a banned anabolic steroid. Botha has denied taking steroids, and said he was being set up.

IBF officials are to meet Monday to determine a date within the next two weeks for its championship committee to meet and decide what to do with the title. *(AFP)*

Camby Admits 'Doubts'

COLLEGE BASKETBALL Marcus Camby says his body is fully recovered from his unexplained collapse before a recent game. Now he must put to rest the troublesome questions in his mind.

"I still have my doubts," he said before a practice Thursday. "But I'll have to block it out when I go out on the court. I won't really know until I get out there."

Both Camby and John Calipari, the Massachusetts coach, say the star center will get his first chance to find those answers Saturday when top-ranked Massachusetts goes against St. Bonaventure.

It would be Camby's first game since collapsing Jan. 14 in Olean, N.Y., before a game against that same team. *(AP)*

A New Magic Comeback?

NBA BASKETBALL Magic Johnson has all but guaranteed the Los Angeles Lakers he'll be in uniform this week for a game against Chicago, the New York Post reported Friday.

"This time the rumor didn't start with me," Johnson told Post columnist Peter Vecsey. "There's a lot to think about. I'll let you know."

"I have no idea how this is going to work out," Lakers president Jerry West said. "Earvin told me before the season he was going to play, then he didn't. But he's all pumped up again. He's 36. It's now or never. "It wouldn't surprise me if he does play." *(AP)*

Chang Eases By Agassi, To Face Becker in Final

Both Notch Straight-Set Victories

By Christopher Clarey
Special to the Herald Tribune

MELBOURNE — This time, there would be no improbable comeback for Andre Agassi at the Australian Open. Michael Chang is not the sort to give up hard-earned advantages.

Chang's 6-1, 6-4, 7-6 (7-1) victory in Friday's first men's semifinal was no thing of beauty. It came on a gusty afternoon in Melbourne when the wind played tricks with the balls and, ultimately, tricks with Agassi's shaky confidence and tired legs.

"Today, Andre hit the wall," said Agassi's coach, Brad Gilbert.

"To be honest, I just didn't have it today," said Agassi, the defending champion. "I didn't think anything in my game was 100 percent the whole tournament. But I was feeling my legs today early in the match. I was flat."

Chang, as is his wont, remained focused and unflappable despite

AUSTRALIAN OPEN

straining rib cartilage stretching wide for a ball in the third set. He kept the ball in play consistently, served well under pressure — hitting 13 aces — and used his hallmark foot speed to run down most of what the frustrated and lackluster Agassi could fire at him. As a result, Chang, the No. 5 seed, will play in his first Australian Open final on Sunday and his first Grand Slam final on a surface other than clay.

"It's definitely been up there," Chang said, when asked how he evaluated his level of play in Melbourne compared with the rest of his career. "The tennis for me the last week and a half has been great, and I hope it will be even better for the finals on Sunday. I'm excited to see what the Lord has in store for me."

Chang, a devout Christian, won his only Grand Slam title in 1989 at the French Open at age 16 and then reached the French final again last year. On Sunday, he will face No. 4 seed Boris Becker of Germany, who last won a Grand Slam title in 1991 in this same stadium.

Becker rolled past unseeded Australian Mark Woodforde in Friday's second semifinal, 6-4, 6-2, 6-0. Becker has been brilliant in his last two matches but he struggled early, needing two five-setters to escape the first two rounds.

Chang has yet to struggle at all. In six matches, the American has not lost a set. "It's a great confidence booster to be able to have a week and a half like this," Chang said. "Andre over the years, even in juniors, has beaten me most of the time. This is the first time I've beaten him in a major."

From the beginning, Agassi struggled to find his rhythm in the wind, making unforced errors off both wings — he would finish with 60 to Chang's 22 — and missing easy volleys.

After rallying in four of his first five matches here and erasing a two-set deficit against Jim Courier in the quarterfinals, he was unable to lift his game against Chang.

"The adrenaline pulled him through a few matches but not at the end," Gilbert said.

At 3-3 in the second set, Agassi faltered again on his serve, flubbing an easy overhead at deuce and then, flustered, knocking a backhand into the net on break point. Chang would go on to close out the match.

No matter what happens in the men's final on Sunday, a drought is about to end.

The last time Boris Becker won a Grand Slam singles title was in this green, livable city in 1991. The last and only time Michael Chang won a Grand Slam event was a full seven years ago in Paris.

It will be a study in contrasts, this Australian Open final. The big man with the muscular serve versus the little man with the muscular legs. The bearded man who travels with his wife versus the bare-faced man who travels with his brother and brother's wife. The German who is a hero in Germany versus the American who is a hero in Asia.

But Becker and Chang share more than appearances indicate.

First and foremost, both have been playing excellent tennis in recent months. This matchup is no fluke, although Becker certainly benefited from Mark Philippoussis's upset of No. 1 seed Pete Sampras. In November in Frankfurt, Becker and Chang emerged from a field featuring eight of the world's top nine players and reached the final of the ATP Tour Championship, with Becker winning indoors on carpet in straight sets.

Less than three months later, they are back in another important final on a slower outdoor surface. They have come this far because of something else they share: a strong desire to climb the remaining rungs of the ladder.

"Since I haven't been eating much the last couple of years, I am quite hungry," Becker said, after demolishing unseeded Australian Mark Woodforde 6-4, 6-2, 6-0 in the semifinals.

Chang is more circumspect about his appetite, but those who know him and work with him are clear. The men he measures his career by are his American peers: Andre Agassi, Jim Courier and Pete Sampras. Chang, the youngest of the lot at 23, was the first of the group to win a major title, but the others since have passed him by, all spending time as No. 1 and all winning multiple Grand Slam titles. Chang wants to join that club.

Darren Rembrandt/Reuters

Michael Chang returns a backhand during his semifinal victory over Andre Agassi in the Australian Open.

With Hype Over, It's Put Up or Shut Up Time for the Cowboys

For One Iconoclastic Fan, a Hope Against Odds

Matchup: Super Bowl XXX *By Timothy W. Smith*

AFC	KEY STATS	COMMENTS
Steelers 13-5	Dallas was No. 2 in the league in rushing, averaging 137.5 yards a game. The Steelers' defense was No. 2 against the run, yielding an average of 82.6 yards a game rushing.	The Dallas offense is based squarely on the Cowboys' ability to run the football. If Emmitt Smith gets going, and Dallas's massive offensive line gets moving, the Steelers are in for a long day. With all the talk of Dallas's big offensive line, no one has mentioned that Pittsburgh's three defensive linemen also tip the scales at about 300 pounds each. The Steelers have a versatile offense that can go with any rhythm that's set. The problem is Dallas, with its vast Super Bowl experience, will probably set the tone. That experience gives the Cowboys the edge.
NFC		
Cowboys 14-4		

PREDICTION
Cowboys 37
Steelers 31

By Ian Thomsen
International Herald Tribune

I don't want to pick the Cowboys.

My wife and I can be talking about anything. She can be tossing out names for the baby that's on the way. She says, "Christopher, Liam, Alexander." Without even realizing it, I find myself responding, "Michael, Troy, Emmitt, Barry." But I don't want to pick the Cowboys.

Maybe it's the Dallas glitz that grates so much. That flash that seems so superficial, so soul-less, yet so irresistible to the hordes of halfwits who worship only the sexiest or coolest thing of the moment.

I dream I'm in a disco where every woman looks like Pamela Anderson. All I can say is: "I don't want to pick the Cowboys." I am told to interview the hottest, least sincere, best-looking actor in Hollywood. I argue with the editor: "I don't want to pick the Cowboys." I walk into the bar, any bar in the world. They're all playing Janet Jackson music. I want to grab the bartender by the collar and say it, Clint Eastwood-like: "I don't want to pick the Cowboys." Instead of trying to write an earthy Tolstoy-esque novel, I suppose I could try for a lucrative screenplay full of enough exploding cars and counterfeit orgasms

Maybe it's the Dallas glitz that grates so much.

to guarantee that my children's children will never be without hair-extension treatments. No. I don't want to pick the Cowboys.

I can be in the grocery store. Everything in a box is claiming to be the healthiest, best-tasting thing that's ever been. And somehow even *that* reminds me: I don't want to pick the Cowboys."

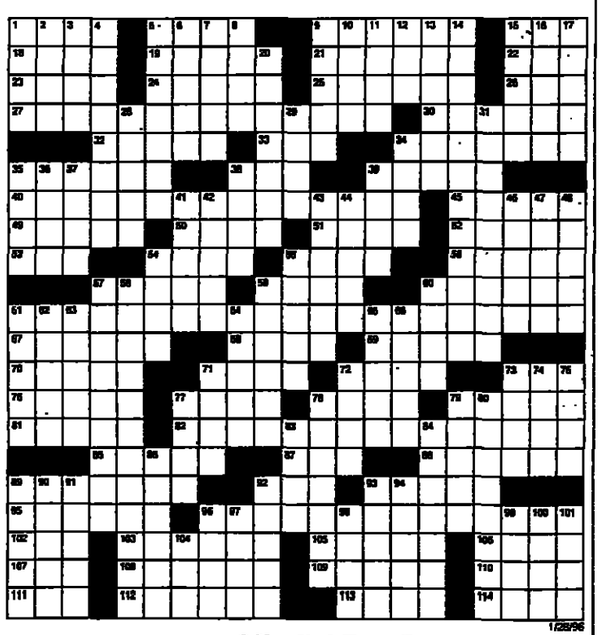
We all have a choice in this life. We can take what we're given; or we can fight! If we want to take part in America's only worldwide convention, if we don't want to feel like losers as the Super Bowl becomes a rout, then we have to pick the Cowboys, right? Well, I DON'T THINK SO. When Deion Sanders does his dance before fielding a punt, we can all hold hands and chant for him to fumble! When the Cowboys owner Jerry Jones appears on camera — that's when we all go to the bathroom! Not during the commercial! When they sell us the Cowboys as the symbol of the new American dream — as if humility is a weakness, and success is a limousine — that doesn't mean we have to buy it! Who cares if Dallas is favored by 13½ points? We have a choice! Dammit, we can pick the Steelers! My prediction: Pittsburgh 56, Dallas 3.

There.

Feeling much better.

Now that I've cleared my head, here's what I really think: Pittsburgh 15, Dallas 14. The Steelers win with five field goals.

THE MODERN CYNIC By Michael W. Perry



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ACROSS
1 Waste
5 "Catch!"
9 Pure
15 Canine greeting
18 Stevenson character
19 Sharp
21 Corrida participant
22 Early August arrival
23 "Quanto è bella," e.g.
24 Weather forecast
25 Only Illinois-born President
26 Defile
27 Speaker of this puzzle's quip
30 Soothe
32 Knotted up
33 Petition
34 Wins over
35 Noted writer on poker
38 Foundation
39 Stage planning
40 Part 1 of the quip
45 Island transportation
49 Semiconductor giant
50 Actor's direction
51 Slick
52 Dodge
53 Rock and Roll Hall of Fame architect
54 Kind of movie
55 Remote button
56 "Eat!"
57 Tangle
59 Many a Michener novel
60 "Impression: Sunrise" and others
61 Part 2 of the quip
67 "Britannicus" playwright
68 Be bereft of
69 The Louvre's "Venus d'——"
70 Battery end
71 Reference
72 Betting game, informally
73 "Deep Space Nine" changeling
76 Kim Philby and others
77 Gossip
78 Stitch together
79 Rocky Mountain town
81 Sci-fi writer Anthony
82 Part 3 of the quip
85 Disheveled
87 Facilitate
88 Hobo's lodging
89 Younger son of a Spanish monarch
92 Christmas staple
93 Perspective
95 Reward
96 End of the quip
102 Street of film
103 1965 Yardbirds hit
105 Nicholas Gage book
106 Leading ——
107 Wolfed
108 On now
109 Australian sheep menace
110 Capacity
111 Club ——
112 Commercial papers
113 First place
114 Kind of dog

DOWN
1 Bygone ruler
2 Prop for Orpheus
3 Frigg's husband
4 Part of a "Twelve Days of Christmas" gift
5 Carriage horse
6 Psychologist Havelock ——
7 Pee Wee of Cooperstown
8 Christian and others
9 Threshold
10 "Waiting for the Robert ——"
11 Gertrude Lawrence film bio
12 Coat, in old slang
13 Like 1, 2, 3
14 1986 Pulitzer novel
15 Place of worship
16 Sphere
17 Return parts
20 Make scores of 80
28 Streisand film
29 Fully exposed
31 *Comedy club on* cable TV
34 Stand up to
35 Fragment
36 Movie prefix
37 Hostile to
38 Nancy, in a Sir William Gilbert song
39 —— Food Company
41 Pioneer bacteriologist J. R.
42 Deify
43 Treat with nuts
44 Pre-Jet New York footballer
46 Sound of Washington
47 "Dombey and Son" wife
48 Compact
54 Clearance
55 Mt. Katahdin's locale
57 Peter Parker's alias
58 Superfluous
59 Blister
60 Adjective in cigarette ads
61 "My Three Sons" dog
62 Former enemy capital
63 Molière's "L'—— des femmes"
64 First two words of "Dixie"
65 "Fie, thou dishonest ——!": "Twelfth Night"
66 Complainer
71 Slicker's home
72 Acorn, e.g.
73 Outdoors
74 Small progress
75 "I'm —— you!"
77 Two pills, e.g.
78 Roasted
79 Bowl
80 Sows
83 S. C. Johnson brand
84 Rapture
86 Perplex
89 Girder
90 "Extreme Prejudice" actor
91 Got angry
92 Large canines
93 Outlay
94 Knife wielder's move
96 Contemporary novelist Martin
97 Curse
98 Writer Wiesel
99 —— worship
100 Check out, so to speak
101 Desideratum
104 Coach Parseghian

Solution to Puzzle of Jan. 20-21

M	A	C	S		G	A	I	P	S		H	A	R	S	H		T	A	C	T
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	T	H	U		O	M	A	H	A		L	E	H	I	M		S	T	R	
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		H	I	N		T	H	A	R		A	Y	O	N		A	C	C	T
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U	N	I	T		S	L	I	N	G		O	N	E	T	O		G	R	A	T
P	Y	L	E		H	E	S	S	A		A	S	S	E	T		A	S	E	A

Jotting Pad

CLARIDGE
CHAMPS ELYSEES
high class residence hotel
Tel. Paris (1) 44 13 33 33

Steelers Coach Really Looks Like a Winner

By Timothy W. Smith
New York Times Service

PHOENIX — Randy Logan recognized the chin almost immediately, but he wasn't sure it belonged to a teammate on the Philadelphia Eagles, back in 1983.

Logan said he was talking to a friend, "and I told him Bill Cowher's chin looked familiar. I wasn't sure whether he was on the Eagles team my last year, but this call confirms it. I had forgotten that Bill Cowher was on the team. But you never forget a chin like that."

The chin is part of a package.

"They called him Face in Philadelphia and Cleveland because of his long jaw and smugness," said the Pittsburgh Steelers' strength coach, Anthony Griggs, who was Cowher's teammate in Philadelphia and was one of his special teams charges after he got into coaching in Cleveland. "Look at his chin. Look at the jaw, the teeth, look at the brow. Aaah! Face."

What about it, Face, er, Coach Cowher?

"Naw," Cowher said. "I certainly don't like the nickname. But there's nothing you can do about it. I just don't answer to it."

He might not like it, but Cowher's face — the jutting chin, the iron jaw, the steely eyes — gives him the look of a National Football League coach.

When the Steelers take on the Dallas Cowboys in Super Bowl XXX on Sunday, Cowher, 38, will become the youngest coach to take a team into the game. But Cowher won't be satisfied with just getting there. Just three days before the game, he was still running the Steelers through a hard-hitting practice to prepare for a physical confrontation with the Cowboys.

Hard work has been a trademark of Cowher's since he took over a team that had gone 7-9 in 1991 — Chuck Noll's final season.

In his first season, the Steelers went 11-5 and won the first of the three American Football Conference Central Division titles they have won in his four seasons there. The Steelers were a wild-card team in the other season, making him only the fourth NFL coach to make it to the playoffs in each of his first four seasons.

Also, consider that Cowher has been successful in an era of free agency, which Brown, Gibbs, Knox, and even Seifert didn't have to deal with in their first four years on the job. Cowher is the perfect modern NFL coach — only a few years removed from his playing days with a deep understanding of the game, a knowledge of players and the ability, say many of his peers and rivals, to put it all together.

"He's the kind of guy that if he could slip into shoulder pads and slip in there for a play or two and knock someone's light out and get back and be the head coach again on the sideline, he'd do it," Steelers linebacker Kevin Greene said. "He's into it. You've got to love that.

Cowher spent five years as an NFL player, and by his own account, he wasn't very spectacular. "I was one of those special-teams guys, backup linebacker who enjoyed the game and was always sweating the last cut," Cowher said.

Much has been made of Cowher's emotional nature and his animated mannerisms on the sideline. It's not an act. Once, as a special-teams coach in Cleveland, he ran over an official while running down the sideline on a kick return.

His death stare and spit-flying face-to-face scream sessions with his players have become almost standard stock film for Pittsburgh games.

"It looks like he gets involved in the positive and negative plays with the same animated style," said the Cincinnati Bengals' defensive coordinator, Larry Peccatiello. "If the players know it's a sincere reflection of his emotions and he has their best interest in mind, they can respect that."

Greene said: "He has that type of passion for the game that not a lot of people have. Athletes too. You see a lot of athletes just playing the game to put money in the bank."

Dick LeBeau, the Steelers' defensive coordinator, thinks the emotional displays overshadow Cowher's other virtues.

"In reality he's a tremendous X's and O's coach and deserves to be known for that as much as he gets credit as a motivational coach," LeBeau said.

It was Cowher who devised a way to get the playmaking talent of rookie Kordell Stewart involved in the Pittsburgh offense as a quarterback/receiver even though he was only the fourth-team quarterback at the time.

Cowher also encouraged LeBeau to refine the increasingly popular zone blitzing scheme to fit the Steelers' personnel.

The fact that Cowher spent just five years playing and has been a coach for the past 10 years says something about which side he was best suited for. His transition from player to coach was quick but painful.

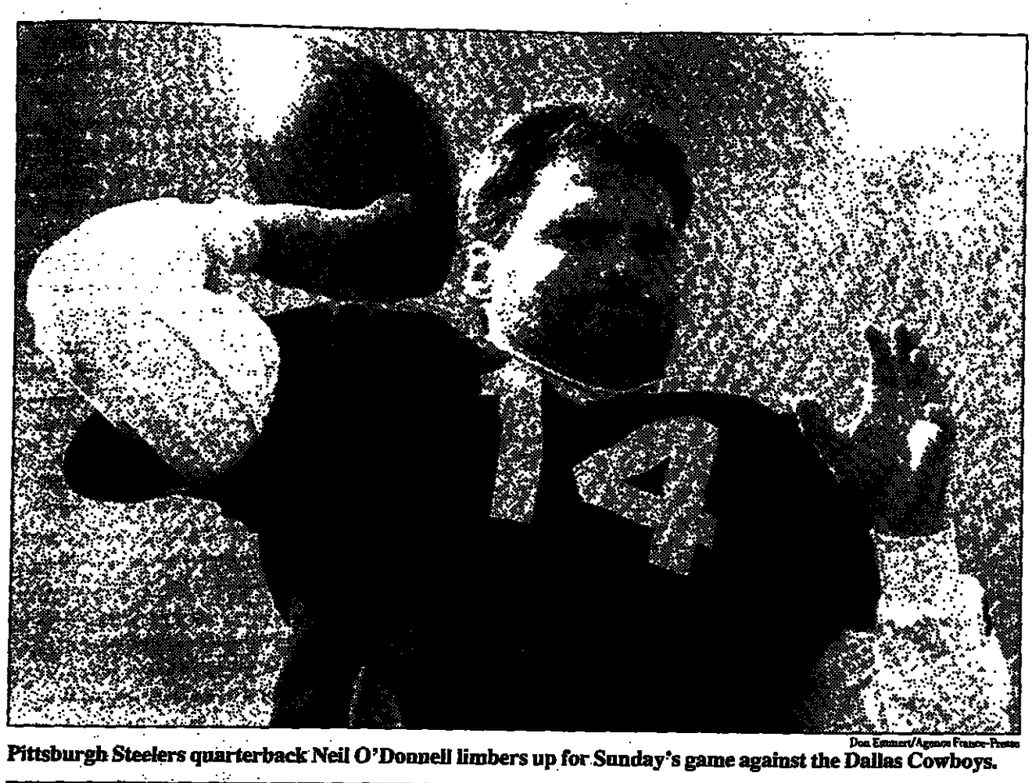
"I like to think that I'm responsible for Bill Cowher being in coaching today," Griggs said. "We were on the special teams together, kickoff return team. I'm supposed to block a guy, and he was supposed to block a guy.

"He was back in the wedge and I was on the frontline. I took a real long loop around to block this fast guy and I missed him. The guy ran into Bill. He hurt his knee. He never walked on the field again."

That was in 1984. The next year, when Cowher was 28, Browns Coach Marty Schottenheimer hired him to coach special teams. Griggs was traded to Cleveland, and Cowher, who had been his teammate just one season before, was now his position coach.

"I saw the little change," Griggs said. "He was already on the other side, had that coach disposition.

SPORTS



Don Emmert/Agence France-Presse

Pittsburgh Steelers quarterback Neil O'Donnell limbers up for Sunday's game against the Dallas Cowboys.

Super Bowl Will Be Global Television Event

The Super Bowl on Jan. 28 begins at 6:20 p.m. EST. According to the National Football League, it will be broadcast in the following countries:

EUROPE

Austria: DSF
Belgium: Canal+ France / FilmNet
Bulgaria: Bulgaria TV (BNT)
Croatia: Hrvatska Televizija (Croatian TV)
Cyprus: Lumiere TV / Star TV
Czech Republic: Czech TV
Denmark: TV3
Estonia: EESTI TV (Estonia TV)
Finland: MTV3
France: Canal+
Germany: Premiere / DSF
Greece: FilmNet
Iceland: Iceland Broadcasting Cor. (Ch. 2)
Italy: Telepiu2
Liechtenstein: DSF
Luxembourg: FilmNet
Monaco: Canal+ France
Netherlands: FilmNet (Dutch lang.)
Norway: TV3
Poland: Canal+ Polska
Romania: Pro TV
Russia: MUBC (TV6-Moscow)
Slovenia: RTV Slovenia
Spain: Canal+
Sweden: TV3 (Swedish Lang.)
Switzerland: DSF
Turkey: Star TV
Ukraine: Star TV
United Kingdom: BSkyB / Channel 4 / BBC Radio 5 in Britain

ASIA/PACIFIC

Australia: ABC
Bangladesh: ESPN Int'l / Star TV
Brunei: Star TV / ESPN Int'l
Cambodia: Star TV / ESPN Int'l
China: Oriental TV, Guangdong TV, Beijing TV
Fiji: ESPN Int'l
French Polynesia: Canal+ France / ESPN Int'l
Guam: Guam Cable / ESPN International
Hong Kong: Wharf Cable / Star TV
India: Modi TV / Star TV
Indonesia: RCTI / ESPN Int'l / Star TV
Japan: NHK (Satellite); Sumitomo (Cable)
Kazakhstan: Star TV
South Korea: KBS / ESPN Int'l / Star TV
Laos: Star TV / ESPN Int'l
Malaysia: ESPN Int'l / Star TV
Micronesia: UMADA
Mongolia: ESPN Int'l / Star TV
Myanmar: ESPN Int'l / Star TV
Nepal: Star TV
New Caledonia: ESPN Int'l / Star TV
New Zealand: Sky Network TV
Pakistan: ESPN Int'l / Star TV
Papua New Guinea: Hitron PNG / Star TV
Philippines: ESPN Int'l / Star TV
Singapore: Television 12 / Star TV
Sri Lanka: ESPN Int'l / Star TV
Taiwan: CTV / ESPN Int'l
Thailand: TV3 / ESPN Int'l / Star TV
Vietnam: ESPN Int'l / Star TV

MIDDLE EAST/AFRICA

Afghanistan: Star TV
Algeria: Orbit-ESPN
Bahrain: Star TV / Orbit-ESPN
Burkina Faso: ESPN Int'l
Chad: Orbit-ESPN
Congo: ESPN Int'l
Dubai: Dubai TV
Egypt: Orbit-ESPN, Star TV
Iran: Orbit-ESPN / Star TV
Iraq: Orbit-ESPN / Star TV
Israel: ICP / Star TV
Ivory Coast: ESPN Int'l
Jordan: Orbit-ESPN / Star TV
Kuwait: Kuwait TV / Star TV
Lebanon: Star TV / ESPN Int'l
Liberia: ESPN Int'l
Libya: Orbit-ESPN
Madagascar: ESPN Int'l / Star TV
Mauritius: Canal+ France
Morocco: ESPN Int'l
Nicaragua: Ch. 2 / Canal Fox / ESPN Int'l
Nigeria: ESPN Int'l
Oman: Orbit-ESPN / Star TV
Qatar: Orbit-ESPN / Star TV
Reunion: Canal+ France
Saudi Arabia: Orbit-ESPN / Star TV
Somalia: Orbit-ESPN
South Africa: M-Net
Sudan: ESPN Int'l / Star TV
Syria: Star TV / Orbit-ESPN
Tunisia: Orbit-ESPN
U.A.E.: Orbit-ESPN / Star TV
Yemen: Orbit-ESPN / Star TV

AMERICAS

Argentina: Canal Fox / ESPN Int'l
Bahamas: Bahamas Broadcast / ESPN Int'l
Bermuda: ESPN Int'l
Bolivia: Canal Fox / ESPN Int'l
Brazil: Canal Fox / ESPN Int'l
Canada: Global Television Network / RDS
Chile: Canal Fox / ESPN Int'l
Columbia: Canal Fox / ESPN Int'l
Costa Rica: Canal Fox / ESPN Int'l
Cuba: ESPN Int'l
Dominican Republic: Noti Deportes / Canal Fox / ESPN Int'l
Ecuador Canal Fox / ESPN Int'l
El Salvador: Canal Dos / ESPN Int'l
Guatemala: Cable Fox / ESPN Int'l
Haiti: ESPN Int'l
Jamaica: CVM-TV / ESPN Int'l
Mexico: TV Azteca / Canal Fox / ESPN Int'l
Panama: TVN (Ch. 2), Cable Onda, Canal Fox, ESPN Int'l
Trinidad and Tobago: AVM Television / Ch. 4

According to the NFL, approximately two-thirds of the 187 countries televising the Super Bowl will telecast live. Please check local listings for times.

Pau-Orthez Squeaks By Greek Team

By Ian Thomsen
International Herald Tribune

The pressures of Greek basketball boiled over again Thursday night in Athens when fans of Panathinaikos reportedly threw coins at the visiting team's bench, beaning the president of Pau-Orthez and stopping the game for three minutes as the French team scrambled to its lockeroom.

But rather than succumb to Greek intimidation, the French scored a 69-67 upset that knocked the preseason favorite Panathinaikos (7-4) into second place with three games remaining in this late round of the European basketball championship.

Panathinaikos remains on probation after being fined $35,000 for a crowd incident against Real Madrid last year. Pending an inquiry by FIBA, Panathinaikos might now face double the fine as well as the punishment of playing some home games in front of about 18,000 empty seats.

The top four teams from each group will advance to the European quarterfinals, and Panathinaikos suddenly finds itself just one victory above the teams that are tied for third, fourth and fifth place. Even if Panathinaikos advances, as expected, its confidence will have taken a beating under coach Bozidar Maljkovic. Europe's most expensive player, Dominique Wilkins (21 points), hasn't jibed with Maljkovic's slow, more deliberate, defensive-minded game.

Panathinaikos also features former NBA center Stojko Vrankovic. Nonetheless, Pau won at Athens without its injured American stars, Darren Daye and Reggie Smith. Antoine Rigadeau made up for their absence with 31 points from the perimeter.

Barcelona (8-3) continues to lead Group B.

Clutch Shot Lifts Pistons

Bullets Rock Hakeem and the Rockets by 35

The Associated Press

The Detroit Pistons are making a living on clutch shots.

After beating the San Antonio Spurs on Terry Mills' shot with 2.6 seconds remaining the previous night, the Pistons did the same thing to the Dallas Mavericks on Thursday night.

Allan Houston took a pass from Joe Dumars on an inbounds play to hit the winning shot with 1.9 seconds left.

"I think we're becoming the cardiac kids," Houston said.

After Houston's basket, Tony Dumas' long 3-point attempt clanged off the rim at the buzzer, and Detroit won for the third time in five games and 12th time in 17 tries.

The game was close all night. There were 19 ties, and neither team led by more than three points over the final 5:48.

Mills had a season-high 24 points to lead the Pistons, who played the last 3:11 without Grant Hill. He fouled out for the first time this season after getting 13 points, eight rebounds and eight assists.

NBA ROUNDUP

Clippers 94, Nuggets 93 Brent Barry's basket sent Denver to its sixth straight loss.

Four seconds before Barry's dramatic shot, LaPhonso Ellis hit a 15-footer to give the visiting Nuggets a 93-92 lead.

Loy Vaught scored 26 points and had 13 rebounds for the Clippers, and Terry Dehere had 18 points off the bench. Barry added eight points.

Bullets 120, Rockets 85 Seven of Washington's nine available players scored in double figures in a rout of Houston.

The Bullets were playing without injured starters Chris Webber and Mark Price. Brent Price scored 25 points and Calbert Cheaney finished with 20 points for the Bullets, who had lost five of six.

Grizzlies 106, Raptors 101 Byron Scott scored eight of his 16 points in overtime to lead Vancouver to its fourth win in six games.

Bryant Reeves matched his career high with 25 points, while Greg Anthony scored 22 as the Grizzlies evened the season series with Toronto at one apiece. It was Vancouver's second road victory in three games, but just the third of the season for the Grizzlies.

For Senators, Hope in Losing

The Associated Press

It's a strange game.

Although Ottawa's losing streak continues to grow, the Senators and their fans are beginning to smile.

They fell to Detroit 4-2 Thursday, one night after tumbling to Pittsburgh. The losses now total 11 in a row, two since their new head coach, Jacques Martin, came aboard, and four straight in their new $217 million home.

But instead of feeling downbeat, the Senators feel they have turned a corner. "It's not discouraging," center Alexandre Daigle said of the Senators' latest two defeats. "Those are two of the best teams in the league, and if we play like that against less talented teams, we're going to be rewarded."

NHL ROUNDUP

Blackhawks 2, Sharks 1 A goal by Chris Chelios during a two-man advantage late in the second period boosted host Chicago over San Jose.

Canadiens 6, Panthers 2 It was a productive night for the Montreal players involved in last month's Patrick Roy trade, which sent the All-Star goaltender to Colorado for Martin Rucinsky, Andrei Kovalenko and goalie Jocelyn Thibault.

Rucinsky scored his first career hat trick. Kovalenko had two assists and Thibault improved his record to 8-4-1 as the visiting Canadiens snapped Florida's six-game unbeaten streak.

Devils 3, Capitals 1 Martin Brodeur continued his domination of Washington, stopping 19 shots and assisting on the game-winning goal as host New Jersey beat Washington.

Bruins 4, Lightning 3 Sandy Moger's goal boosted Boston over Tampa Bay, snapping the Lightning's two-game winning streak. The Bruins' Todd Elik scored his 100th career goal.

SCOREBOARD

TENNIS

AUSTRALIAN OPEN

MEN' SINGLES, SEMIFINALS
Michael Chang (5), U.S., def. Andre Agassi (2), U.S., 6-1, 6-4, 7-6 (7-1); Boris Becker (4), Germany, def. Mark Woodforde, Australia, 6-4, 6-2, 6-2.

WOMEN'S DOUBLES, SEMIFINAL
Chanda Rubin, U.S., and Arantxa Sanchez Vicario (3), Spain, def. Nicole Arendt, U.S., and Manon Bollegraf (4), Netherlands, 6-4, 2-6, 6-2.

MIXED DOUBLES, SEMIFINAL
Luke Jensen and Nicole Arendt, U.S., def. John-Laffnie De Jager, South Africa, and Jill Hetherington, Canada, 6-2, 6-4.

BASKETBALL

NBA STANDINGS

EASTERN CONFERENCE

ATLANTIC DIVISION

	W	L	Pct	GB
Orlando	30	10	.750	—
New York	25	15	.625	5
Washington	20	21	.488	10½
Miami	18	22	.450	12
New Jersey	16	24	.400	14
Boston	15	25	.375	15
Philadelphia	7	32	.179	22½

CENTRAL DIVISION

Chicago	36	3	.923	—
Indiana	26	14	.650	10½
Atlanta	23	17	.575	13½
Cleveland	22	18	.550	14½
Detroit	21	18	.538	15
Charlotte	19	20	.487	17
Milwaukee	15	24	.385	21
Toronto	12	29	.293	25

WESTERN CONFERENCE

MIDWEST DIVISION

	W	L	Pct	GB
San Antonio	26	13	.667	—
Utah	26	13	.667	—
Houston	28	15	.651	—
Denver	16	25	.390	11
Dallas	13	26	.333	13
Minnesota	11	28	.282	15
Vancouver	10	31	.244	17

PACIFIC DIVISION

Seattle	28	11	.718	—
Sacramento	22	15	.595	5
L.A. Lakers	22	18	.550	6½
Portland	20	20	.500	8½
Golden State	17	23	.425	11½
Phoenix	16	22	.421	11½
L.A. Clippers	16	24	.400	12½

THURSDAY'S RESULTS

Houston 24 24 14 23— 85
Washington 37 34 22 27—120
H: Olajuwon 10-23 2-2 22; Cassell 3-10 7-8 13. W: Cheaney 6-14 6-6 20; B.Price 8-14 3-4 25. Rebounds— Houston 47 (Drexler, Chilcutt 7), Washington 64 (Wallace 14). Assists— Houston 13 (Recasner, Cassell, Smith 3), Washington 22 (B.Price 8).

Vancouver 27 19 24 21 15—106
Toronto 29 24 13 25 18—101
V: Reeves 7-12 11-12 25; Anthony 9-18 2-2 22. T: Miller 10-18 1-4 21; Staudamire 8-20 3-4 22. Rebounds— Vancouver 47 (Avent 10), Toronto 53 (Miller 13). Assists— Vancouver 23 (Anthony 9), Toronto 23 (Staudamire 12).

Detroit 24 27 20 22— 93
Dallas 29 22 27 14— 92
—Det.: Thorpe 9-14 2-3 20; Houston 7-18 6-7 20; Mills 10-16 4-6 24. Dall.: McCloud 9-18 1-2 23; Jackson 7-14 3-3 18. Rebounds— Detroit 48 (Mills 9), Dallas 46 (Meyer, Kidd 8). Assists— Detroit 19 (Hill 8), Dallas 26 (Kidd 12).

Denver 24 16 31 22—93
L.A. Clippers 28 26 28 26—94
D: D.Ellis 8-15 0-2 19; McDyess 10-19 3-4 23. L.A.: Vaught 11-15 4-4 26; Dehere 5-8 6-6 18. Rebounds— Denver 45 (McDyess 13), Los Angeles 42 (Vaught 13). Assists— Denver 20 (Rose 16), Los Angeles 15 (Richardson 6).

TOP 25 COLLEGE RESULTS

How the top 25 teams in The Associated Press' college basketball poll fared Thursday: 4, Connecticut (18-1) beat Pittsburgh 69-63. Next: vs. Virginia, Sunday; 5, Cincinnati (13-1) beat DePaul 71-61. Next: vs. Southern California, Sunday; 8, Virginia Tech (12-2) lost to George Washington 64-47. Next: vs. Fordham, Saturday.

10, Utah (15-3) beat Texas-El Paso 68-54. Next: at New Mexico, Saturday; 13, Arizona (14-3) beat Oregon State 66-59. Next: at Oregon, Saturday; 24, Marquette (12-4) lost to North Carolina Charlotte 79-69. Next: vs. Alabama-Birmingham, Tuesday; 25, California (11-4) beat Washington State 87-79. Next: at Washington, Saturday.

MAJOR COLLEGE SCORES

THURSDAY'S RESULTS

Arizona St. 74, Oregon 73
Colorado St. 91, Fresno St. 83
New Mexico 83, Brigham Young 77
Rhode Island 86, St. Joseph's 83
South Florida 67, SE Missouri 41
Temple 59, Duke 58
Tulane 76, Southern Miss. 61
Washington 74, Stanford 71
Wyoming 84, Air Force 67
Xavier, Ohio 60, La Salle 59

EUROPEAN CLUBS' CHAMPIONSHIP

SEMIFINALS

GROUP A
Benetton Treviso 77, Bayer Leverkusen 60
Olympique Antibes 84, Ulker Istanbul 79

GROUP B
Panathinaikos 67, Pau-Orthez 59
Barcelona 84, Maccabi Tel Aviv 80
Virtus Bologna 97, Benfica 81

HOCKEY

NHL STANDINGS

EASTERN CONFERENCE

ATLANTIC DIVISION

	W	L	T	Pts	GF	GA
N.Y. Rangers	29	11	9	67	182	125
Florida	29	13	5	63	166	127
Philadelphia	24	12	11	59	163	119
Washington	21	20	5	47	128	120
Tampa Bay	20	19	7	47	138	155
New Jersey	21	22	4	46	122	117
N.Y. Islanders	12	25	8	32	129	169

NORTHEAST DIVISION

Pittsburgh	30	14	3	63	229	158
Montreal	22	19	6	50	146	146
Boston	20	18	6	46	159	162
Buffalo	19	23	3	41	135	147
Hartford	18	24	5	41	128	144
Ottawa	8	37	1	17	105	188

WESTERN CONFERENCE

CENTRAL DIVISION

Detroit	34	9	3	71	172	99
Chicago	25	15	10	60	167	136
Toronto	22	17	8	52	147	137
St. Louis	19	19	8	46	125	129
Winnipeg	20	23	4	44	169	174
Dallas	13	23	10	36	127	162

PACIFIC DIVISION

Colorado	25	14	9	59	185	135
Vancouver	16	19	12	44	170	161
Calgary	17	22	9	43	142	151
Los Angeles	16	22	11	43	162	169
Edmonton	17	24	6	40	129	182
Anaheim	17	26	5	39	135	161
San Jose	10	34	4	24	142	217

THURSDAY'S RESULTS

Hartford 8, Los Angeles 2
Boston 4, Tampa Bay 3
Detroit 4, Ottawa 2
New Jersey 3, Washington 1
Montreal 6, Florida 2
Chicago 2, San Jose 1
Vancouver 2, Colorado 2, tie

OLYMPIC QUALIFYING

FIELD HOCKEY RESULTS
IN BARCELONA
Belgium 3, Belarus 1

SOCCER

SPANISH FIRST DIVISION
Merida 0, Barcelona 0
STANDINGS: Atletico Madrid 52 points, Espanyol 45, Barcelona 43, Compostela 43, Valencia 42, Real Betis 37, Real Madrid 36, Deportivo Coruna 35, Tenerife 35, Celta Vigo 31, Real Sociedad 30, Athletic Bilbao 29, Sporting Gijon 27, Zaragoza 26, Oviedo 26, Merida 23, Sevilla 23, Rayo Vallecano 23, Salamanca 22, Albacete 22, Racing 22, Valladolid 14.

AFRICAN NATIONS CUP
FIRST ROUND
Tunisia 3, Ivory Coast 1
Ghana 2, Mozambique 0

OLYMPIC QUALIFYING
OCEANIA ZONE, SEVENTH ROUND
Fiji 1, Solomon Islands 1

SKATING

EUROPEAN FIGURE SKATING

Leading results Thursday from the European Figure Skating Championships at the Winter Sports Hall in Sofia, Bulgaria:

MEN'S EVENT
Final Standings: 1, Viacheslav Zagorodniuk, Ukraine, 1.5 factored placings; 2, Igor Pashkevitch, Russia, 4.0; 3, Ilya Kulik, Russia, 4.0; 4, Steven Cousins, Britain, 6.5; 5, Philippe Candeloro, France, 7.5.

CRICKET

THIRD TEST
AUSTRALIA VS. SRI LANKA, 20 DAY
FRIDAY, IN ADELAIDE
Australia 1st Innings: 582 -9 dec.
Sri Lanka 1st Innings: 80 for no wicket

TRANSITIONS

BASEBALL
AMERICAN LEAGUE
SEATTLE—Claimed Aaron Small, pitcher, off waivers from Florida and designated him for assignment. Signed Todd Pratt, catcher, to minor-league contract. Named Greg Hunter assistant to the director of player development.
TORONTO—Signed Ruben Amaro Jr., outfielder, to minor-league contract.
NATIONAL LEAGUE
CHICAGO—Agreed to terms with Rey Sanchez, infielder, on 1-year contract.
NEW YORK—Acquired Terrell Lowery, outfielder, from Texas for Damon Buford, outfielder.
ST. LOUIS—Signed Tony Fossas and Mike Busby, pitchers; Mike Gulan, Keith Johns, infielders; and Elliser Marrero, catcher.

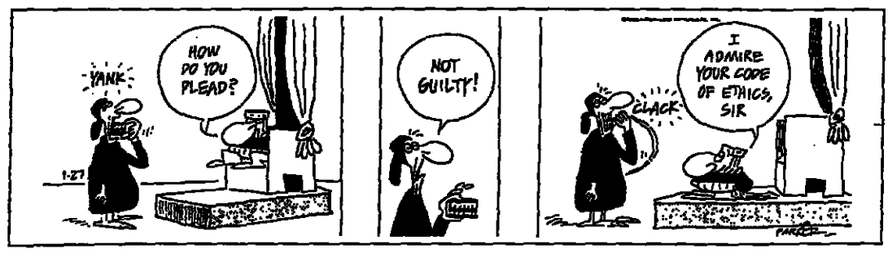
BASKETBALL
NATIONAL BASKETBALL ASSOCIATION
NEW JERSEY—Put Khalid Reeves, guard, on injured list. Activated Rick Mahorn, forward, from injured list.
SACRAMENTO—Put Byron Houston, forward, on injured list. Activated Michael Smith, forward, from injured list.
SEATTLE—Activated Detlef Schrempf, forward, from injured list. Put Steve Scheffler, center, on injured list.

FOOTBALL
NATIONAL FOOTBALL LEAGUE
NFL—Fined the Pittsburgh Steelers $25,000 for not making players and coaches available for a mandatory news conference on Wednesday.
JACKSONVILLE—Signed Tony Kimbrough, wide receiver.
NEW ORLEANS—Named Jeff Davidson and John Pagano assistant coaches.
PHILADELPHIA—Re-signed Gary Anderson, kicker, to 2-year contract.
TAMPA BAY—Named Tony Dungy coach. Named Mark Asanovich strength and conditioning coach and Chris Foerster offensive line coach.

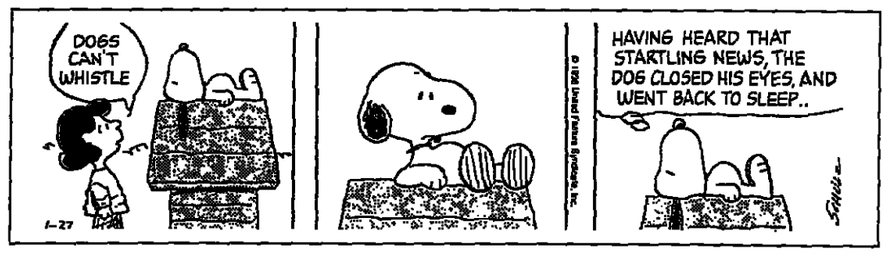
HOCKEY
NATIONAL HOCKEY LEAGUE
BUFFALO—Recalled John Blue, goaltender, from Rochester, AHL. Assigned Andrei Trefilov, goaltender, to Rochester, AHL for a two-week conditioning period. Received Andrei Trefilov, goaltender, on loan from Rochester, AHL.

DOONESBURY

WIZARD of ID



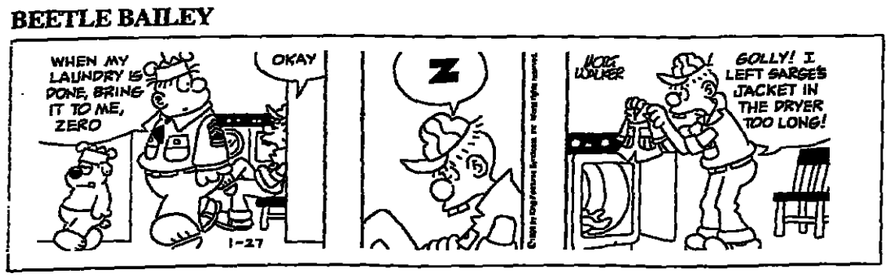
PEANUTS



CALVIN AND HOBBES

GARFIELD

BEETLE BAILEY



BLONDIE

THE FAR SIDE

"Don't be 'fraid, Dug. Me teach him sit on finger. ... Closer, Dug, closer."

JUMBLE®

THAT SCRAMBLED WORD GAME by Henri Arnold and Mike Argirion

Unscramble these four Jumbles, one letter to each square, to form four ordinary words.

RODOB
YAFOM
RIQUMS
DYLGOO

Now arrange the circled letters to form the surprise answer, as suggested by the above cartoon.

Answer here: IN A "____" ____ (Answers Monday)

Yesterday's Jumbles: VITAL DICED GAINED CANNED
Answer: What a fledgling photographer can always use — CANDID ADVICE

DAVE BARRY

The Anatomy of a Lobster

MIAMI — I am pleased to report that the scientific community has finally stopped wasting time on the origins of the universe and started dealing with the important question, which is: Are lobsters really just big insects?

I have always maintained that they are. I personally see no significant difference between a lobster and, say, a *giant Madagascar hissing cockroach*, which is a type of cockroach that grows to approximately the size of William Howard Taft (1857-1930). If a group of diners were sitting in a nice restaurant, and the waiter were to bring them each a freshly killed, steaming-hot Madagascar hissing cockroach, they would not put on silly bibs and eat it with butter. No, they would run, retching, directly from the restaurant to the All-Nite Drive-Thru Lawsuit Center. And yet these very same people will pay $24.95 apiece to eat a lobster, despite the fact that it displays all three of the classic biological characteristics of an insect, namely:

1. It has way more legs than necessary.

2. There is no way you would ever pet it.

3. It does not respond to simple commands such as "Here, boy!"

I do not eat lobsters, although I once had a close call. I was visiting my good friends Tom and Pat Schroth, who live in Maine (state motto: "Cold, but Damp"). Being generous and hospitable people, Tom and Pat went out and purchased, as a special treat for me, the largest lobster in the history of the Atlantic Ocean, a lobster that had probably been responsible for sinking many commercial vessels. There it was, sprawling all over my plate, with scary insectoid legs and eyeballs *shooting out in all directions, while* Tom and Pat, my gracious hosts, smiled happily at me, waiting for me to put this thing in my mouth.

□

"Mmmm-MMMM!" I said, hacking away at the thing on my plate and, when nobody was looking, concealing the pieces under my dinner roll, in the salad, in my napkin, anywhere I could find.

Anyway, my point is that lobsters have long been suspected, by me at least, of being closet insects, which is why I was very pleased recently when a colleague referred me to an Associated Press article concerning a discovery by scientists at the University of Wisconsin. The article, headlined "Gene Links Spiders and Flies to Lobsters," states that not only do lobsters, flies, spiders, millipedes, etc., contain THE EXACT SAME GENE, but they also are all descended from a single common ancestor: *Howard Stern*.

No, seriously, the article states that the ancestor "probably was a wormlike creature." Yum! Fetch the melted butter!

□

And that is not all. According to articles sent in by alert readers, scientists in Denmark recently discovered that some lobsters have a weird little pervert organism living *ON THEIR* LIPS. Yes. I didn't even know that lobsters HAD lips, but it turns out that they do, and these lips are the stomping ground of a tiny creature called Symbion pandora (literally, "a couple of Greek words"). The zoology community, which does not get out a lot, is extremely excited about Symbion pandora, because it reproduces differently from all other life forms. According to various articles, when Symbion pandora is ready to have a baby, its digestive system "collapses and is reconstituted into a larva," which the parent then gives birth to by "extruding" it from its "posterior." In other words — correct me if I am wrong here — this thing basically reproduces by pooping.

I myself plan to continue avoiding them, just as I avoid oysters, which are clearly — scientists should look into this next — members of the phlegm *family*.

I believe that Mother Nature gave us eyes because she did not want us to eat this type of food. Mother Nature clearly intended for us to get our food from the "patty" group, which includes hamburgers, fish sticks and McNuggets — foods that have had all of their organs safely removed someplace far away such as Nebraska. That is where I stand on this issue, and if any qualified member of the lobster or phlegm-in-a-shell industry wishes to present a rebuttal, I hereby extend this offer: Get your own column.

Knight-Ridder Newspapers

A Theatrical Duo's Take on 'Richard II'

International Herald Tribune

MARY BLUME

PARIS — "You pluck a thousand dangers on your head, / You lose a thousand well-disposed hearts," York warns Richard II after the death of John of Gaunt. "Think what you will," heedless Richard replies, hurtling to his deposition and murder accompanied by some of Shakespeare's most beautiful and tricky verse.

"Richard II" ends a triumphant two weeks at suburban Bobigny on Sunday, then returns to London's National Theatre for eight more performances and resurfaces this summer at the Salzburg festival. Led by Britain's most resourceful and brilliant theatrical partners, the director Deborah Warner, the actress Fiona Shaw and designer Hildegard Bechtler, the production has the expected intelligence and daring and has set a good many British teeth on edge.

Richard is usually seen as a poetic, rather too sensitive and effeminate ruler crushed by a world of realpolitik. Played by Shaw, he is fidgety, childish (he has ruled since the age of 10), ready to pull rank but not bear responsibility, clever but clueless until, too late, wearing the badges of his grief and patience, he reaches what the critic Jan Kott has called the greatness of Lear.

The usurper Bolingbroke is not Richard's homosexual love but his only boyhood playmate: "The notion of Bolingbroke and Richard at 4 and 5 playing in the nursery together is all you need to begin the play," Warner says. To Shaw, Richard, anointed since childhood, is a *case of arrested development*. "It is curious," she says, plucking Michael Jackson as an example, "why society adores the mutant in that form: The arrested mutant is both punished and revered.

"I've been much hammered for not being kingly but there's nothing in the language that's kingly. Not until something goes wrong, which is very much my experience with Shakespeare in the past, which is when things go wrong people speak better."

Warner and Shaw, both born in 1959, began working together in the early 1980s when Warner, who had founded a small group called Kick Theatre, coolly called RADA to send their best graduate around and Shaw bicycled by. Later triumphant collaborations include "Electra," "Hedda Gabler" and, this year, a film of T.S. Eliot's "The Waste Land" which the BBC curiously chose to show at Christmas — "a bah-humbug piece," Shaw suggests. Warner is a surefooted explorer of text ("all the clues are there"), Shaw aerial and Irish. They are accomplices and teases and so smart and scrupulous that it is hard to imagine a piece that they could not do.

They would love to do a comedy together and Warner claims she longs to do "The Sound of Music" but hasn't been asked, while Shaw states that she is dying to play Mary Poppins. In the meantime, Warner has gone into opera and Shaw is alternating her Richard with a zesty Millamant (not directed by Warner) in "The Way of the World."

The actress Fiona Shaw, left, and the director Deborah Warner.

"It has been a marvelous counterpoint to Richard because it is comedy and because the power of Millamant is in her exclusivity in that she appears in the play about three times and spends the rest of the time in her dressing room polishing up her wit, which is absolute bliss."

In the spring they will do an international tour of "The Waste Land." An associate director of the National Theatre, Warner has been mentioned as a successor to Richard Eyre, who is retiring as director.

"She wants it," Shaw suggests in a conspiratorial whisper. "I don't want it," Warner states. "She enjoys the thought that people think she might want it and she doesn't," says Shaw.

"I'd like to want it, actually," Warner said. "It would be more fun to want it and try to get it than to know it is something you don't want, which is rather boring."

"Richard II" is the first Shakespeare Warner and Shaw have done together, attracted by the play's language and sorrow. Bechtler designed a stunning traverse stage — a rectangle with the audience steeply banked on its long sides. The set was at first simply a way of accommodating the tournament scene, but Warner says that she thinks it works so well because the stage becomes a corridor and "Richard II" is what she calls a corridor play:

"It's about what happens in between states rather than in the defined state. Nobody knows what they are, whether somebody is still king or whether somebody else is now king. It's absolutely to do with a vibrant exploration of the gray area, which I think is why it appeals so much to our 20th-century minds."

The unexpected casting of Shaw as Richard is not a statement on gender but an attempt to move beyond gender and to exclude definitively the cliché of Richard's effeminacy. "All the play is is an examination of kingship, brilliant but that's all it is, it doesn't have an interesting plot or anything else, and I think you have to throw in an enormous casting notion," Warner says. "So this is sort of the last word on the effeminate casting, I think."

"The world thanks you," said Shaw.

"Richard is an anointed king and thus sacred and asexual. "The one thing Richard is not about is sexuality at all," Warner says. Shaw sees him as chaste and poetic. "It's affection. Affection and sorrow, which are much more extinct emotions, aren't they, than lust and tragedy. It's passionate but not sexual.

"It's a love story about every kind of love. If you've never had a love in your life, it's a love story of passing the person in the street whom you might have loved. The handing over of the crown is the giving away of the thing you value most to the person you value most. You've abused both, and everyone has done *that at some level with* their affections." Even Bolingbroke in taking the crown has a moment of hesitation because he knows what having is means.

"It is," says Shaw, "about the awful thing we do when we damage people by loving them."

POSTCARD

Murder in the Museum: Extra! Read All About It

By William Grimes
New York Times Service

NEW YORK — It could have been called the Preppy Murder, but in 1836 the word "preppy" did not exist. Nevertheless, New York fed on on the Jewett case with a carnal appetite.

The evidence was circumstantial but damning. In the early hours of April 10, Rosina Townsend, the owner of a Manhattan brothel, discovered the body of Sarah Jewett in one of the bedrooms. Jewett, a prostitute, had been struck on the head, which was badly gashed.

Townsend told police she had last seen the woman alive at 11 P.M. when she took a bottle of champagne to her and her customer, Richard P. Robinson, 19, from a good Connecticut family. A cloak belonging to Robinson was found in the brothel and a hatchet turned up in his backyard. By day's end, he was in jail, and the new penny press had one of its first great stories.

Visitors can relive the case and four others, in "In Cold Blood: Five Murders That Shocked New York," at the New-York Historical Society through April 7.

The crime spree begins with the Jewett case in 1836 and features four other murders. There is the high-society murder of Stanford White, shot by Harry K. Thaw in 1906 and the 1912 murder of the gambling house operator Herman Rosenthal. In 1927, Ruth Snyder appalled New Yorkers when she arranged the murder of her husband after taking out a double indemnity insurance policy on his life. And lastly there is the chilling murder of Kitty Genovese in 1964.

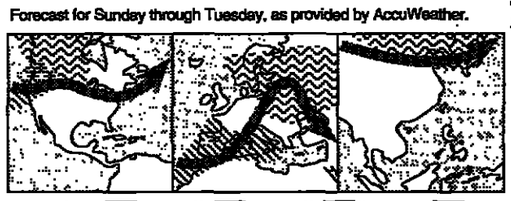
In newspaper clippings, pamphlets, popular prints and diaries, the exhibition recaptures the passions surrounding the Jewett case, inflamed by a new kind of journalism. The respectable papers of the day, which sold for six cents, did not cover murders. But the penny press had come into existence to tell readers about the day-to-day life in their city.

James Gordon Bennett, the editor of The New York Herald, took the unusual step of putting the murder on the front page, under the headline "Most Atrocious Murder."

Bennett tirelessly promoted the theory that Robinson was a tender innocent framed by a corrupt police force and a lying madame. The jury bought it, probably because it had been bought. After 10 minutes of deliberation, it returned a verdict of not guilty.

WEATHER

Forecast for Sunday through Tuesday, as provided by AccuWeather.



Jetstream · Unseasonably Cold · Unseasonably Hot · Heavy Rain · Heavy Snow

North America Cold, dry weather will prevail from Boston through New York City to Washington, D.C., Sunday through Tuesday. Some snow or *rain will spread from Chicago to Toronto.* Snow will whiten Seattle at times while Portland has snow, ice or rain, and showers reach south to San Francisco.

Europe London and Paris will have dry weather on Sunday, then an increasing chance for rain early next week. The rain may be mixed *with sleet or snow.* Rain and mountain snow will persist in Spain and Portugal. Rain is likely in Italy Monday and Tuesday. Eastern Europe will be cold.

Asia Cold air will push southward across Beijing, Seoul, Pusan and eventually to Tokyo and Osaka. There will be little precipitation, *but snow flurries are possible* in Korea and the mountains of Japan. Dry weather is expected in Shanghai, while a few showers are possible in Hong Kong and Singapore.

Europe

	Today High	Today Low/W	Tomorrow High	Tomorrow Low/W
	C/F	C/F	C/F	C/F
Algarve	19/66	11/52 r	13/55	8/46 r
Amsterdam	-2/28	-2/29 r	0/32	-3/27 sh
Ankara	4/39	-2/29 pc	9/48	-2/29 s
Athens	13/55	9/48 r	16/61	9/48 pc
Barcelona	12/53	6/43 pc	12/53	7/44 r
Belgrade	5/41	2/35 r	5/41	1/34 r
Berlin	-3/27	-5/24 sn	-3/27	-7/20 sn
Brussels	-2/29	-2/29 i	0/32	-3/27 r
Budapest	2/35	1/34 r	3/37	-1/31 sh
Copenhagen	-2/29	-5/24 pc	-1/31	-5/24 s
Costa Del Sol	13/55	11/52 sh	16/59	9/48 r
Dublin	4/39	0/32 c	4/39	1/34 c
Edinburgh	4/39	3/37 r	6/43	4/39 r
Florence	9/48	7/44 i	9/48	4/39 c
Frankfurt	-1/31	-2/29 sn	1/34	-2/29 sn
Geneva	4/39	2/35 sh	5/41	0/32 i
Helsinki	-1/31	-9/16 s	-1/31	-7/20 s
Istanbul	10/50	6/43 c	11/52	5/41 sh
Las Palmas	20/68	16/61 c	21/70	14/57 c
Lisbon	11/52	9/48 sh	12/53	8/46 r
London	5/41	0/32 pc	7/44	3/37 pc
Madrid	4/39	3/37 i	8/46	2/35 sh
Milan	4/39	2/35 r	4/39	-1/31 r
Moscow	-9/16	-11/13 pc	-8/18	-12/11 sn
Munich	3/37	1/34 sh	3/37	-3/27 sn
Nice	12/53	6/43 r	13/55	5/41 c
Oslo	-6/22	-11/13 pc	-3/27	-9/16 s
Mallorca	11/52	5/43 pc	10/50	8/46 r
Paris	4/39	2/35 sh	6/43	2/35 sh
Prague	0/32	-3/27 sn	1/34	-4/25 sn
Reykjavik	-1/31	-1/31 pc	4/39	1/34 c
Rome	13/55	7/44 pc	13/55	4/39 pc
St. Petersburg	-4/25	-13/9 s	-4/25	-12/11 s
Stockholm	-4/25	-8/18 pc	-4/25	-8/18 pc
Strasbourg	4/39	1/34 sh	5/41	-1/31 r
Tallinn	-1/31	-8/18 s	-1/31	-4/25 c
Venice	6/43	4/39 sh	7/44	2/35 r
Vienna	1/34	-1/31 sn	3/35	-2/29 sn
Warsaw	-2/29	-7/20 pc	-1/31	-5/24 pc
Zurich	3/37	1/34 i	3/37	-2/29 c

Oceania

Auckland	23/73	16/61 r	23/73	16/61 pc
Sydney	29/79	19/66 s	29/79	19/66 pc

Middle East

	Today High	Today Low/W	Tomorrow High	Tomorrow Low/W
	C/F	C/F	C/F	C/F
Abu Dhabi	29/73	11/52 pc	22/71	11/52 s
Beirut	21/70	13/55 pc	22/71	14/57 s
Cairo	24/75	13/55 pc	29/73	13/55 s
Damascus	13/55	8/46 pc	21/70	8/46 s
Jerusalem	17/62	9/48 pc	19/66	11/52 s
Luxor	31/88	12/53 s	33/91	12/53 s
Riyadh	20/68	5/41 s	22/71	8/46 s

Africa

	Today High	Today Low/W	Tomorrow High	Tomorrow Low/W
	C/F	C/F	C/F	C/F
Algiers	13/55	11/52 c	17/62	11/52 c
Cape Town	21/70	13/55 pc	23/73	16/61 pc
Casablanca	12/53	10/50 sh	13/55	6/43 r
Harare	21/70	7/44 s	23/73	8/43 pc
Lagos	31/88	24/75 s	31/88	24/75 pc
Nairobi	23/73	6/46 pc	26/79	11/52 pc
Tunis	14/57	6/46 r	17/62	7/44 pc

Asia

	Today High	Today Low/W	Tomorrow High	Tomorrow Low/W
	C/F	C/F	C/F	C/F
Bangkok	32/89	21/70 pc	33/91	21/70 pc
Beijing	2/35	-9/16 s	2/35	-8/16 s
Hong Kong	17/62	14/57 pc	18/64	14/57 pc
Manila	30/86	24/75 pc	31/88	23/73 pc
New Delhi	23/79	8/46 s	26/79	11/52 pc
Seoul	-1/31	-7/20 s	1/34	-6/18 pc
Shanghai	6/43	-2/29 pc	6/43	-2/29 pc
Singapore	28/82	24/75 pc	29/84	24/75 pc
Taipei	18/64	12/53 c	19/66	13/55 c
Tokyo	6/43	-7/20 pc	5/41	-2/29 pc

Latin America

Buenos Aires	33/91	19/66 s	31/88	18/64 pc
Caracas	28/82	23/73 pc	29/84	23/73 pc
Lima	24/75	20/68 r	24/75	20/68 pc
Mexico City	23/73	6/43 s	21/70	4/39 pc
Rio de Janeiro	31/88	23/73 pc	30/86	24/75 pc
Santiago	28/82	11/52 s	29/84	12/53 pc

North America

Anchorage	-6/18	-21/-5 c	-7/20	-19/0 pc
Atlanta	10/50	8/46 r	9/48	-2/29 pc
Boston	-1/31	-4/25 pc	9/48	-2/29 r
Chicago	-2/29	-9/16 sn	-4/25	-11/13 pc
Denver	-2/29	-11/13 pc	4/39	-7/20 s
Detroit	0/32	-11/13 sn	-9/22	-11/18 pc
Honolulu	27/80	21/70 pc	27/80	19/66 pc
Houston	19/66	7/44 pc	13/55	2/35 pc
Los Angeles	20/68	9/48 s	19/66	10/50 pc
Miami	26/79	21/70 pc	28/79	14/57 pc
Minneapolis	-8/18	-21/-5 c	-8/18	-17/2 pc
Montreal	-7/20	-15/4 c	-5/24	-16/4 sn
Nassau	25/77	19/66 pc	28/79	20/68 pc
New York	3/37	1/34 pc	7/44	-7/20 r
Phoenix	17/62	4/39 s	21/70	8/46 s
San Fran.	13/55	8/46 pc	14/57	9/48 c
Seattle	6/43	1/34 c	7/44	3/37 r
Toronto	-3/27	-13/11 sn	-3/27	-13/9 sn
Vancouver	4/39	0/32 c	4/39	-3/27 r
Washington	3/37	2/35 c	8/46	-5/22 r

Legend: s-sunny, pc-partly cloudy, c-cloudy, sh-showers, t-thunderstorms, r-rain, sf-snow flurries, sn-snow, I-Ice, W-Weather. All maps, forecasts and data provided by AccuWeather, Inc. © 1996

PEOPLE

FORMER Beatle George Harrison has won an $11 million lawsuit in Los Angeles that accused his longtime manager, Denis O'Brien, of living the high life at the former Beatle's expense. Harrison said O'Brien bought himself yachts and villas around the world during their 20-year partnership while Harrison suffered "enormous losses." The losses involved HandMade Films, a now-defunct company.

□

The American historian **William McNeill** has won the Netherlands' Erasmus Prize for writings on the interaction between civilizations. He was cited as "the unrivaled pioneer in the new and important field of world history." His best known work is "The Rise of the West: A History of the Human Community."

□

The life-size statue of **Canon Félix Kir**, mayor of Dijon from 1945 to 1969 and, more importantly, the inventor of the Kir, a white wine and black currant aperitif, has been recovered after it was stolen last week from Dijon's wax works museum. The statue was found by policemen who saw feet sticking out of a plastic garbage bag and thought they belonged to a corpse, the Grévin museum curator, **Alfred Jouvert**, said. The statue is worth an estimated 60,000 francs ($12,000).

□

Prince Charles's friend **Camilla Parker Bowles**, who normally shuns the limelight, will appear in a charity video, the Sun newspaper says. She will join other celebrities to help raise money for Britain's National Osteoporosis Society. Both her mother and her grandmother died from the disease.

□

Oprah Winfrey, whose weight battles have become legendary, is collaborating with **Bob Greene**, an exercise physiologist, on a health and fitness book and journal to be published in the fall by Hyperion and the Harpo Entertainment Group, Winfrey's company.

□

Dadawa, 25, the first Chinese pop singer to win a major U.S. record deal, was the talk of Cannes at a music professionals' congress this week. Dadawa *is not about to give up singing in Chinese* in order to make it big in the West. "Music is an international language," she says. "Anglo-Saxon rock is linked by an audience, a large part of which doesn't understand a word of English. I don't see why it can't be the same for someone singing in Chinese."

□

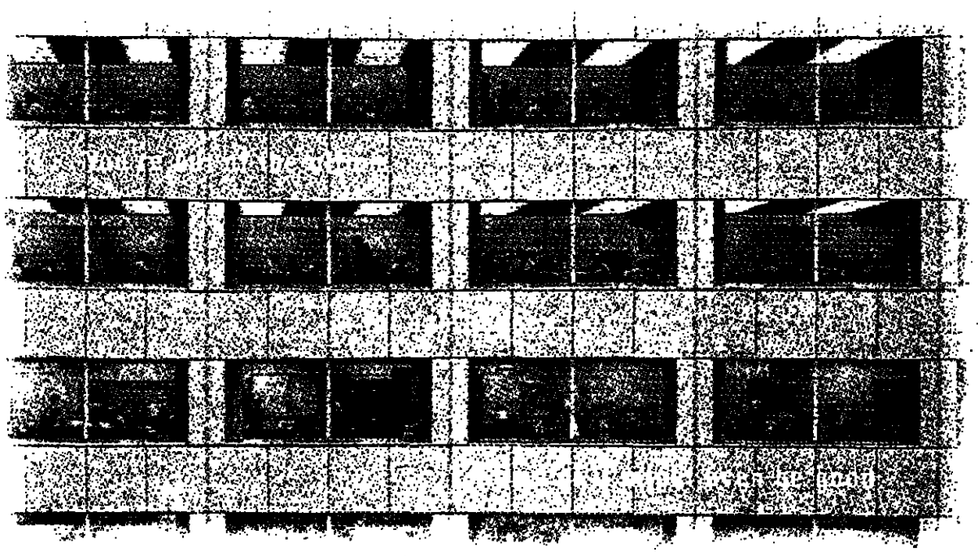
Brussels's Manneken Pis, the statue of a small boy cheekily urinating, donned a hula hoop in honor of the actor-director **Tim Robbins**, who is being honored by the 23d Brussels Film Festival. The statue was also given a suit of clothes based on the outfit Robbins wore in the film "The Hudsucker Proxy" in which he plays a lowly office boy who revives his company's fortunes by inventing the hula hoop.

□

The Duchess of York, in what is apparently a dubious royal first, is being sued and faces an appearance in Britain's High Court. A friend, **Lily Rathan Mahtani**, is suing the duchess over a £100,000 ($150,000) loan made in 1994 to enable the duchess to take a six-week vacation in the south of France with her daughters, **Princess Beatrice**, 7, and **Princess Eugenie**, 5, the Sun says. She has 14 days to settle or face trial. It was reported recently that the duchess had debts of about £3 million. She also may make an appearance on U.S. television. CBS has offered her work although a spokeswoman said no decision has been made. She added: "It's fairly unlikely she will have her own chat show."

Georges Gobet/Agence France-Presse

MUSICAL EDUCATION — American soprano Barbara Hendricks and the choir at a school in Orange, France, that is being named for her.



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EUROPE

Armenia*†	8014111
Austria*††	022-903-011
Belgium*	0-800-100-10
Bulgaria◆	00-800-0010
Croatia*	99-385-0111
Czech Republic*	00-42-800-101
Denmark	8001-0010
Finland*	9800-100-10
France	19-0011
Germany	0130-0010
Greece*	00-800-1311
Hungary*	060800-01111
Iceland*	800 0001
Ireland	1-800-550-000
Italy*	172-1011
Lithuania◆	80196
Luxembourg	0-800-0111
Macedonia, F.Y.R.††	99-800-4288
Malta*	0800-890-110
Monaco*	19-0011
Netherlands*	06-022-9111
Norway	800-190-11
Poland†*	00-0-800-111-1111
Portugal†	05017-1-288
Romania*	01-800-4288
Russia*† (Moscow)	155-5042
Slovak Rep.*†	00-42-800-101
Spain*	900-99-00-11
Sweden	020-795-611
Switzerland*	155-00-11
Turkey*	00-800-12277
Ukraine†	80100-11
United Kingdom	0500-89-0011

MIDDLE EAST

Bahrain*	800-001
Cyprus*	800-90010
Egypt* (Cairo)†	510-0200
Israel	177-100-2727
Jordan*	10 800 000
Kuwait*	800-288
Lebanese (Beirut)*††	426-801
Qatar*	0800-011-77
Saudi Arabia*	1-800-10
Syria	0-801
U. Arab Emirates*◆	800-121

AFRICA

Gabon*	800-001
Gambia*	00111
Ghana	0191
Ivory Coast*	00-111-11
Kenya†	0800-10
Liberia	797-797
Morocco*	002-11-0011
Sierra Leone	1100
South Africa	0-800-99-0123
Zambia◆	00-800
Zimbabwe†	110-889

AMERICAS

Argentina◆	001-800-200-1111
Bolivia*	0-800-1112
Brazil	000-0010
Canada	1-800-225-5288
Chile	800-800-288
Columbia	980-11-0010
Costa Rica*◆	0-800-0-114-114
Ecuador*	999-119
El Salvador*††	800-1785
Guatemala††	190
Mexico000◆	95-800-462-4240
Nicaragua◆	174
Panama*	109
Peru†*	171
Venezuela*◆	800-11-120

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